

FBIS

DAILY REPORT

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LI PENG, YANG DEZHI, OTHERS AT AVIATION EXHIBIT

OW102058 Beijing XINHUA in English 1458 GMT 10 Dec 84

[Text] Beijing, December 10 (XINHUA) -- A group of senior Chinese officials visited an international aviation exhibition here this afternoon. Among them were Yang Dezhi, chief of General Staff of the Chinese People's Liberation Army, Zhang Tingfa, commander of P.L.A. Air Force, Duan Junyi, Standing Committee member of the Chinese Communist Party Central Advisory Commission, and Bainqen Erdini Qoigy Gyaincain, vice-chairman of the National People's Congress Standing Committee.

In a meeting here this afternoon with foreign participants of the exhibition, Chinese Vice-Premier Li Peng said that China would go big ways with its aviation industry. He urged aviation circles of various countries to increase exchange and cooperation with China. The exhibition, participated by 210 firms from 15 countries and Hong Kong, opened here December 8.

LI PENG MEETS ENVIRONMENTAL SCIENTISTS FROM UN

OW101902 Beijing XINHUA in English 1436 GMT 10 Dec 84

[Text] Beijing, December 10 (XINHUA) -- Vice-Premier Li Peng said here today that the control of environmental pollution was an urgent and important task in modernizing China. Li made the statement during a meeting here this afternoon with officials from the United Nations Environment Program and environmental scientists from ten countries and regions, who have come to attend the first annual meeting of the Chinese Society of Environmental Sciences.

Li briefed them on China's environmental protection work and policies. The vice-premier said that pollution existed in some regions and branches in the country. The Chinese Government attached great importance to the prevention of pollution and laid down relevant policies. He expressed the hope that foreign scientists could offer their experiences to and conduct academic exchanges with the Chinese counterparts.

The annual meeting of the society opened here this morning.

FOREIGN OIL FIRMS BID FOR OFFSHORE AREA DATA

OW101617 Beijing XINHUA in English 1444 GMT 10 Dec 84

[Text] Beijing, December 10 (XINHUA) -- Up to December 9, 26 foreign and Hong Kong oil companies had applied to purchase data about the offshore areas for the second round of bidding in the eastern part of the Yingge Sea basin, South China Sea, the China National Offshore Oil Corporation (CNOOC) said here today.

In the second round of bidding which started November 22, China designated about 100,000 square kilometers of offshore areas for bidding. The bidding is proceeded in steps, and the first area designated for bidding is the eastern part of the Yingge Sea basin which has four blocks, covering a total area of 13,300 square kilometers.

A CNOOC spokesman, Chen Bingqian, told Chinese and foreign correspondents that among the 26 oil firms, there were 15 American companies, three British companies, three Japanese companies, one French company, one Norwegian company, one Canadian company and two Hong Kong companies. He added that 20 of the 26 companies won the right to search China's oil offshore in the first round of bidding and were now undertaking drilling operations. The other six are: Sealand International, Reading and Bates International Petroleum Co. and Internorth Petro-Chemical International Inc. of the United States, the Norwegian State Oil Company (Statoil - Den Norske States Oileselskapa), Offshore Services Department of N. Ming's Co. and Promet Petroleum Ltd. in Hong Kong.

Contract negotiations are expected to start next September during the second round of bidding, Chen said. After receiving the data about the areas designated for bidding, foreign oil firms may have six months to study and prepare to offer their prices and bid. The deadline for applying to purchase the data is 18:00 hours (Beijing time), December 15, 1984, he added.

In the past four years including the first round of bidding (1982-1983), Chen recalled, China signed contracts with 31 oil firms of ten countries, and the contract areas covered a total of 93,289 square kilometers. Foreign partners are required to put more than two billion U.S. dollars into their exploratory operations. So far, foreign partners have sunk 59 exploratory wells and 27 of them reported oil and gas flows. Tests show that some wells each produce more than 1,000 tons of crude oil a day.

FOREIGN CONTRACTS SIGNED IN SHAANXI, QINGHAI

OW101852 Beijing XINHUA in English 1632 GMT 10 Dec 84

[Text] Xian, December 10 (XINHUA) -- Shaanxi Province signed 116 contracts worth 340 million U.S. dollars at an international investment symposium ending here today. The 10-day symposium also resulted in agreements and letters of intent which will bring in additional investment of several hundred million U.S. dollars "if all goes well", a provincial government spokesman said.

Attending were executives from Hong Kong, Macao and 23 foreign countries.

Another investment symposium was held simultaneously in Qinghai Province, which resulted in 15 contracts for joint ventures, coproduction and compensation trade worth 34.72 million U.S. dollars. "Foreign participants showed special interest in helping us develop our salt lakes and build new airports," the spokesman said.

Qinghai is well known for its clusters of salt lakes in the Qaidam Basin, rich in natural resources.

SICHUAN GROUP RETURNS FROM HONG KONG

HK080209 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 7 Dec 84

[Text] According to SICHUAN RIBAO, in order to prepare for the provincial talks on international economic and technological cooperation and trade to be held in Chengdu next April, a six-man investigation group headed by Vice Governor He Haoju visited Hong Kong and has returned.

During its stay in Hong Kong, Vice Governor He gave a press conference attended by reporters from over 20 leading papers. During the conference, information was given on the state of preparations for Sichuan's economic, technological, and trade talks, and also on the general situation in Sichuan. The focus was on publicizing the investment climate and favorable treatment afforded by Sichuan. After the conference, 10 newspapers published reports on Sichuan, and some carried full-page lists of the 160 cooperation projects to be organized by the province.

Vice Governor He also called on people in business and financial circles in Hong Kong. He invited them to come and attend the investment talks in Sichuan. Various figures expressed their willingness to do this. After the list of projects had been published, many companies requested to attend the talks. The Guangda Co Ltd applied for 10 projects.

Following the visit paid by Vice Governor He Haoju, an investigation group headed by (Xing Wen), vice chairman of the Provincial Planning and Economic Commission, is visiting West Germany, Britain, France, and other Western European countries. It will return to Chengdu in late December.

GUANGDONG'S SHAOGUAN EXPANDS FOREIGN DEALS

OW101105 Beijing XINHUA in English 1031 GMT 10 Dec 84

[Text] Guangzhou, December 10 (XINHUA) -- Overseas investors now show great interest in Shaoguan, in northern Guangdong Province, in addition to the Pearl River Delta and coastal areas.

Shaoguan signed 138 contracts with firms from foreign countries, Hong Kong and Macao in the first ten months of 1984 -- equal to the total concluded between 1979 and 1983, according to the city Department of Foreign Economic Relations and Trade. The deals required more than 60 million U.S. dollars in foreign funds -- 2.5 times the amount of foreign capital involved in the previous five years.

So far, 200 factories, quarries, hotels and farms have been set up in cooperation with firms from Belgium, Britain, Japan, Federal Germany, Italy, Singapore, Sweden, Hong Kong and Macao.

Some are joint ventures or cooperative businesses, while others are run through compensation trade or process imported materials.

The factories turn out a variety of products including building materials, minerals, electronics, machines, textiles, chemicals and light industrial goods.

Covering 30,000 square kilometers, Shaoguan administers 12 counties and three urban districts. It has good reserves of timber, minerals and waterpower. The Beijing-Guangzhou Railway runs through the area, which also has water access to the provincial capital of Guangzhou along the Beijiang River.

Two railway stations have been built to ship goods directly to Hong Kong, cutting the delivery times in half and reducing freight costs by 85 percent. Priority is being given to development of local natural resources in cooperation with overseas firms.

A shaving board factory established with a Belgian firm earlier this year can produce 28,000 cubic meters of boards a year, from 60,000 cubic meters of branches and below-standard timber. The boards are worth 19.6 million yuan, more than three times the value of the raw materials.

Under a letter of intent signed last month, a Canadian company will invest eight million U.S. dollars in two chicken farms in Shaoguan. The farms will produce 700 million eggs a year. A cannery with an annual production capacity of 3,000 tons and a feed factory producing 50,000 tons a year will also be built there.

Over the past two years, Yingde County, which is administered by Shaoguan, has used 3.3 million U.S. dollars in foreign funds to set up six factories producing construction materials including marble, granite, lime and terrazzo powder.

A marble quarry opened with a Hong Kong firm went into operation last July. It can produce 150,000 square meters a year, worth three million U.S. dollars, with equipment provided by the Hong Kong company. The Hong Kong firm may get 10 million U.S. dollars when the four-year contract expires.

NATO OPINIONS DIFFER ON AIR DEFENSE SYSTEM

HK101450 Beijing RENMIN RIBAO in Chinese 10 Dec 84 p 6

["Jottings" by Chen Feng: "It Is Difficult To Distinguish Friends From Foes"]

[Text] A less open but "most acute struggle" recently occurred within NATO. The United States and its European allies had differences of opinion on the question of what verification system [shi bie di you xi tong 6221 0446 2420 0645 4762 4827] should be used to improve the NATO air defense plan.

This system is an instrument installed in aircraft, which gives off cipher signals by radio. After receiving the signals, a friendly aircraft will immediately reply in an appropriate manner while an aircraft which fails to reply correctly or to make any reply will be destroyed as an enemy aircraft. The existing instruments of NATO are obsolete. It is said that if they are not renovated, NATO will probably shoot down 20 percent of its own aircraft once a war breaks out.

Some West European countries are inclined to adopt European-made instruments. The United States, however, claimed that the performance of the U.S. instruments is more advanced. After "studying" this question for 18 months, Britain has not made a final decision because this means a business deal worth at least 400 million pounds to British industry. The FRG is also very much interested in this. According to the British FINANCIAL TIMES, the NATO countries "will probably spend as much as 10 billion pounds" on this in the next decade. The TIMES says that the U.S. military's boast about "its highly sophisticated technology" "is nothing but a strategy to promote business for the United States."

In air battles in modern warfare, it is indeed not an easy job to distinguish a friendly aircraft from an enemy one. But solving the question of whose instruments to use to distinguish friend from foe seems no less easy than distinguishing friend from foe in an air battle.

YEAR-END REVIEW LOOKS AT WORLD ECONOMY

OWO90146 Beijing XINHUA in English 0124 GMT 9 Dec 84

["Yearender: World Economy: Look Backward, Look Forward" (by Li Changjiu) -- XINHUA headline]

[Text] Beijing, December 9 (XINHUA) -- World economy has performed better this year than the last, yet the economic recovery in industrialized countries is far from steady and development in different regions and countries is uneven. Many economists foresee a slow-down in its growth in the coming year.

Today, economic development of the Third World has become a pronounced major issue in the world.

The International Monetary Fund has forecasted a 3.7 percent growth in the world economy for 1984, 1.6 percent higher than last year. And the general Agreement on Tariffs and Trade estimated the increase in trade volume at 5-7 percent. The United States and Japan have led the Western industrialized world in the economic recovery after an unusual four-year recession. America was the first to be blessed with less unemployment and lower inflation (about four percent) and claims an enviable six percent growth for 1984. Japan followed on its heels in having lower inflation and unemployment and places its growth rate at above five percent this year.

In rather painful contrast to the two countries, Western Europe has been inching forward with modest investment. Growth rate of the 10 European Economic Community countries is estimated at an average of 2.2 percent in 1984, 1.4 percent higher than last year. This sluggish growth has failed to prevent unemployment from rising to an estimated 11 percent.

Economic pulse quickened in most of the East European countries which have undertaken economic reforms of one kind or another. Romania's gross industrial output increased by 6.2 percent in the first nine months of this year; Hungary, 2.6 percent; the Soviet Union, 4.4 percent — slightly higher than last year, but somewhat vitiated by another lean year in agriculture. According to the Federal German newspaper, DIE WELT, Moscow will have to spend a quarter of its export earnings on grain imports.

The overall picture of the developing countries has brightened up more or less in 1984. The estimated six percent growth rate for several countries in Asia surpasses that of most of the industrialized countries. However, economic performance of a majority of the developing countries remained disheartening because of the lingering effect of the economic crisis of the West. The average increase in gross national product in Latin America is put at no more than one percent or even lower this year, while foreign debt incurred by the countries in the region has snowballed to over 350 billion dollars, plunging the countries in deep financial trouble or near chaos.

The worst has happened in some parts of Africa where several million people starve and hundreds of thousands died of famine as a result of years of severe drought. All countries have suffered from the fall of prices for their primary products. Despite the estimated average growth rate of 3.2 percent, many countries on the continent are unable to pull themselves out of economic and social crises.

Stronger economic recovery in the United States has helped consolidate the country's position in the capitalist world. The country's gross domestic product will probably rise to about 47 percent of the total of the 24-member Organization of Cooperation and Economic Development in 1984, from 38 percent in 1975, if the forecast of six percent growth rate comes true and the current strength of the dollar stays.

The United States still enjoys an edge in high technology and the emerging new industries. The dollar has regained its high status, accounting for some 70 percent of the official foreign exchange reserves of other countries.

In some measure, U.S. economic strength has grown at the expense of other countries. Its astronomical budget deficit and tight money supply have kept the interest rates high, which in turn pushed up the exchange rate of the dollar. The high interest rates, firmness of the dollar and preferential government measures to stimulate investment have drawn enormous foreign capital to the United States, which gave the shot in the arm needed to speed up its recovery. On the other hand, this money flow more or less drained the funds available for domestic investment in those countries and has had a restraining effect on their recovery. Still worse, the high interest rates and the stiff dollar, apart from U.S. protectionism in trade have added to the already crushing burden of those developing countries in foreign indebtedness. It is obvious that without the economic development in developing countries, there will only be a languid recovery in the economies of the industrialized countries.

A slow-down in the world's economic growth in general seems inevitable in 1985 as is forecasted by many economic research institutions. Growth will fall to four percent or lower in the United States and below five percent in Japan, and will linger at two percent in Western Europe. It will remain at a low level in most developing countries with the exception of some in the Asian and Pacific region.

The Soviet Union has made it clear that its gross industrial output in 1985 can only match the 1984 level.

In the United States, economic growth can hardly be hoped to surmount the hurdle of sky-high budget deficit, which very likely will soar to a record 210 billion dollars in 1985, according to the U.S. Office of Management and Budget.

Trade frictions among the industrialized countries will increase in 1985, protectionism will become harsher, and the world money market will fluctuate more violently. On the other hand, economic interflow and cooperation among developing countries will continue to climb.

In the world today, the dialogue between the South and the North is beneficial to both. Further sharpening of their contradictions will affect world security and stability. In the long run, development of South-South cooperation is of strategic significance.

ANTARCTIC EXPEDITION CROSSES TROPIC OF CAPRICORN

OW091700 Beijing XINHUA in English 1646 GMT 9 Dec 84

[By Qiu Weimin, Zhu Youdi]

[Text] S.S. Xiangyanghong 10, December 9 (XINHUA) -- Xiangyanghong 10 and J121 rescue ship of the Chinese expeditionary team to the Antarctic sailed across the Tropic of Capricorn at 1:35 p.m., December 9 (Beijing time) in the sea area with the highest atmospheric temperature of the world in this season. At present, all members of the expedition, with good health and high morale, have adapted themselves by and large to the life on the ocean. They are further working out specific measures for establishing a "Great Wall" observation station on the Antarctica and carrying out scientific researches in the southern oceans. Two task teams with 48 members have been set up aboard the J121 ship to undertake the building of quays, roads and station houses. Sun Mingzhong, a demolition expert of the expedition, told correspondents that more than 900 dynamite holes on iceberg are needed first for the establishment of the station. He will take new dynamite technology in completing the mission together with other task team members, he said.

XINHUA NOTES PROBLEMS IN REAGAN'S SECOND TERM

OW110215 Beijing XINHUA Domestic Service in Chinese 0228 GMT 9 Dec 84

[By XINHUA reporter Shi Lujia]

[Text] Washington, 9 Dec (XINHUA) -- The Reagan administration will begin its second term in a little over a month. In recent days, a group headed by Deaver, deputy chief of staff of the White House, has been busy making preparations for the presidential inauguration ceremony in January. A \$240,000 large reviewing stand has already been set up at the west lawn of the Capitol. It is reported that to celebrate Reagan's tremendous election victory and extol the present "reign of peace, order, and prosperity," next year's inauguration will be more spectacular and luxurious than ever.

However, behind this "reign of peace, order, and prosperity," the Reagan administration is facing quite a few tough and pressing problems. If it is correct to say that Reagan won the election because of the favorable economic situation in the last 2 years and his grand promises for the future, then, after his reelection, people will certainly hope to see how he will solve these problems to fulfill his promises.

All these problems are left by Reagan himself from his first term. Many of them have sharply worsened in the last 4 years. Among the many tough problems the Reagan administration faces, the budget deficit and the extensive confrontation between the United States and the Soviet Union are the most prominent.

One of the big headaches is the huge federal budget deficit. During Reagan's first 4 years, the U.S. Government deficit increased by nearly \$540 billion, nearly \$100 billion more than the total deficit of postwar governments. As a result, the national debt has sharply increased to more than \$1.5 trillion. Furthermore, the nation's budgetary situation is still rapidly worsening. According to a recent estimate by the White House Office of Management and Budget, the U.S. budget deficit in both the current fiscal year and the next will surpass \$200 billion. By the summer of 1986, the national debt will exceed \$2 trillion, and by the time Reagan completes his second term, it could reach \$2.8 trillion. Then the annual interest on the national debt alone would be \$214 billion. The budget deficit has become the nation's No 1 domestic problem.

During his reelection campaign, Reagan did not utter a single word about the deficit issue. He just said that after continued economic growth, the deficit would be reduced as a matter of course. However, some U.S. economists have pointed out that, even if economic growth does take place as expected by the Reagan administration, it will still be too inadequate and useless, not to mention that the present economic growth has drastically slowed down. The annual economic growth rate of the third quarter of this year dropped to 1.9 percent from 10.1 and 7.1 percent for the first and second quarters respectively. Slow economic growth will result in smaller revenue for the government and increased expenditure in unemployment benefits and social welfare, which will make budget cuts even more difficult. To make up the huge deficit, the U.S. Government has been forced to scramble for private enterprise capital in financial markets. As a result, it has affected private sector investments, obstructed the lowering of interest rates and the dollar's exchange rate, and brought about a record-high foreign trade deficit. These, in turn, have directly affected economic growth, thus creating a vicious cycle.

At the two Cabinet meetings held after the election victory to discuss the budget issue in particular, Reagan still insisted on his principles put forward during the election campaign, which call for no tax increase and no reduction in military and social welfare spending. The fact that the increase in government revenue is to be limited and that the military and social welfare expenditures, which account for about two-thirds of the government's total expenditure, are not to be cut has baffled White House economists. For this reason, they have so far been unable to formulate a workable plan to reduce the deficit.

The second big headache is how to break the deadlock in the U.S.-Soviet talks on controlling nuclear arms and easing international tensions. The massive military buildup for war preparation of the United States and the Soviet Union and their global confrontation have, during the Reagan administration, sunk the relations between the two nations to the lowest point since the Cuban missile crisis. This has also further deteriorated the world situation, and the people of the world are worried about the danger of war. All the people of the world demand peace, and the American people also hope for peace. This is a reality that the Reagan administration must consider.

Recently, both the United States and the Soviet Union have made some gestures suggesting they are willing to improve their relations. The foreign ministers of the two nations agreed to meet in Geneva in early January next year to discuss a schedule for holding "comprehensive" arms control negotiations that will include strategic weapons, medium-range guided missiles, and space weapons. It ought to be said that this is a positive development. But, at the same time, the arms race between the two sides is being stepped up. According to NATO sources, last year the Soviet Union built a new SS-20 missile base and installed 60 SS-21 missile launchers; while the United States deployed 91 cruise and Pershing II missiles in Western Europe. The United States recently announced that it does not intend to halt its medium-range missile deployment in Western Europe nor its experiments with space weapons in the near future because of the coming talks. The Soviet Union has said that whether it will continue its deployment of medium-range missiles in Eastern Europe "will be decided only after taking into consideration the further actions of the U.S. side."

The two sides also differ on the aims and emphasis of the coming talks. The United States has said that the talks should be a continuation of talks of the last few years, while the Soviet Union has emphasized that they should be "brand new" talks which should lead to a change in Reagan's first term policies toward the Soviet Union, as well as resume the detente of the 1970's. The United States hopes the talks will focus discussions on reducing strategic weapons and medium-range missiles, while the Soviet Union seeks priority consideration on restricting space weapons. In short, both sides are hoping to capitalize on the talks, yet each has its own intentions.

Focusing on these issues, representatives of various political powers of the United States are trying their best to influence Reagan's policies. The Heritage Foundation, the think tank of extreme conservatives, submitted a booklet with over a thousand pages to each member of the Reagan administration. It contained over 1,300 suggestions urging the Reagan administration to practice more conservative domestic and foreign policies. Three former U.S. presidents -- Nixon, Ford, and Carter -- and some other former political figures have also delivered speeches or statements urging Reagan to relax East-West relations and to resume arms talks. At the same time, the House of Representatives, controlled by the Democratic Party, has said that it will try even harder to contain Reagan.

Inside the Reagan administration, the extreme and moderate conservatives have also unfolded both open and veiled struggles over the budget deficit, arms control, and Central American issues.

What the Reagan administration will face when it begins its second term are a lot of problems and limited room to maneuver. As a Republican senator put it, the landslide election victory has offered Reagan "a window of opportunity." However, he said, "the window is very small, and he must move very rapidly and skillfully."

QINGHAI LEADER MEETS U.S. COMMERCIAL COUNSELLOR

HK070325 Xining Qinghai Provincial Service in Mandarin 1100 GMT 6 Dec 84

[Text] Liu Shulin, adviser to the Qinghai Provincial People's Government, met Mr (Geering), commercial counsellor of the U.S. Embassy in China, in the People's Building in Xian yesterday morning. Mr (Geering) came to Xian at the invitation of the province to attend the international technical cooperation talks. During the meeting, adviser Liu Shulin introduced to Mr (Geering) Qinghai's strong points in resources and development prospects. He also expressed the hope to import advanced production technology from the United States, and to promote economic and technical cooperation with advanced countries.

Mr (Geering) showed great interest in the cooperation projects proposed by the province. He said he would take these projects back with him and introduce them to relevant U.S. companies. He also stated that he would personally visit Qinghai for a look at the appropriate time. After the meeting adviser Liu Shulin gave a dinner for Mr (Geering).

FIRST PRC-U.S. VENTURE IN NORTHWEST OPENS

HK070316 Yinchuan NINGXIA RIBAO in Chinese 21 Nov 84 p 1

[Report by Xiong Dizhu: "The First Sino-U.S. Venture in the Northwest -- Ning-Ca Agricultural and Environmental Instrument Co. Ltd. Officially Starts Business in Yinchuan"]

[Text] On 20 November, the sky over the ancient mountain city of Yinchuan was vast and clear, and the weather was as warm as spring. An inauguration ceremony was held for the Ning-Ca Agricultural and Environmental Instrument Co. Ltd. -- the first Sino-U.S. joint venture in the northwest -- which officially started business on that day.

A total of more than 200 people attended the inauguration ceremony of the company. They included Hei Boli, chairman of the autonomous regional People's Government; Ma Yingliang and Yang Huiyun, vice chairmen of the autonomous regional People's Government, Li Li and Xia Siping, advisors to the autonomous regional People's Government; Zhang Yuan, vice chairman of the autonomous regional CPPCC; Jin Xiaoyun, mayor of Yinchuan City; Zhu Qunrong, director of the Bureau of Foreign Economic Relations [as published] under the Ministry of Foreign Economic Relations and Trade and entrepreneurs from Hong Kong and Yinchuan. A Te Sai Fu Er [7093 3676 1049 1133 1422], general manager of the U.S. A Te [7093 3676] company, also attended the inauguration ceremony. The U.S. Embassy in China, the Ministry of Urban and Rural Construction and Environmental Protection, the Ministry of Water Resources and Electric Power, the Institute of Environmental Sciences under the Chinese Academy of Sciences, the Academy of Agricultural Sciences, and others sent messages of greetings.

Amid melodious national music and the pops of firecrackers, Hei Boli, chairman of the autonomous regional People's Government, and Jin Xiaojun, mayor of Yinchuan, who were all smiles, presided over the inauguration ceremony. In his speech delivered on behalf of the regional People's Government, Hei Boli congratulated the Ning-Ca Company, saying that it had made a good start for Sino-foreign ventures in the region. He also hoped that the Ning-Ca Company would continue to make efforts to enhance its technical level, produce more products, and increase its revenue. He added that on the basis of equality and mutual benefit, the autonomous region would import more foreign capital and technology and would exploit its rich natural resources to speed up its construction.

The Ning-Ca Company is a joint venture run by the Yinchuan electric equipment, instruments, and meter company and the U.S. International Environmental Research Center, with each side investing \$2.5 million. It is now the only chain in China that manufactures and sells agricultural and environmental instruments. It has imported advanced designs of the 1980's and manufacturing technology from various European countries and the United States, and will improve the existing agricultural and environmental instruments and equipment produced in China. It will develop and manufacture new products on the advanced world level. Within the next 5 years the company will import technology for producing flood forecasting and warning systems, environmental protection and monitoring systems, and so forth. Last May and June, the company manufactured 60 sets of air and meteorological environmental ground monitoring instruments. The company has been praised by the Chinese and American experts and consumers for its speedy production and good quality products. At present, the company has signed contracts with many consumers for a sum of 3 million yuan (renminbi). The company has employed approximately 90 workers, and it is expected that their output value this year will reach 2 million yuan and that they will make a profit of about 300,000 yuan.

The Ning-Ca Company has implemented a personal responsibility system for the general manager under the leadership of the Board of Directors. The board of directors is composed of seven members. Four of them are from the Chinese side, and the other three from the U.S. side. The chairman of the board is from the Chinese side. The vice chairman of the Board of Directors is a Chinese-American scientist, Wang Ren-yu, who is from the Silicon Valley and is a member of the U.S. National Academy of Sciences. The term of the joint venture is 15 years.

ENGINEERING COMPANY SIGNS FOURTH AGREEMENT

OW102106 Beijing XINHUA in English 1453 GMT 10 Dec 84

[Text] Beijing, December 10 (XINHUA) -- China Non-Ferrous Metals Industry Foreign Engineering and Construction Corporation and Brown and Root International, Inc. of the United States signed a cooperation agreement here today.

Under the agreement, the two sides will jointly contract for non-ferrous mining projects, roads, bridges, industrial and civil construction projects both in China and abroad.

This is the fourth of its kind Brown and Root signed so far with Chinese firms.

DPRK'S KANG SONG-SAN OPPOSES SEOUL OLYMPIC SITE

OW101927 Beijing XINHUA in English 1623 GMT 10 Dec 84

[Text] Pyongyang, December 10 (XINHUA) -- "We oppose the holding of the Olympic Games in the South of Korea and we do not hope for holding them in the North," pointed out Kang Song-san, premier of the Administration Council of the Democratic People's Republic of Korea, in a talk here today.

He made this talk in connection with a letter sent to the International Olympic Committee by Fidel Castro Ruz, president of the Cuban Council of State. In the letter, Castro expressed opposition to the designation of the venue of the 24th Olympic Games in Seoul. He pointed out: "The problems of the venue of the Olympiad and of the formation of a unified team of North and South are separate problems of different nature." "Although we oppose the hosting of the Olympiad in Seoul, we invariably maintain the stand of solving the problem of participation of North and South in international sports games as a unified team," he emphasized.

He concluded: "We will actively strive for dialogue for many-sided collaborations and exchange between North and South and also hold North-South sports talks for the formation of a unified team as part of the dialogue."

ZHANG JINGFU MEETS JAPANESE BANKER 10 DEC

OW101010 Beijing XINHUA in English 0829 GMT 10 Dec 84

[Text] Beijing, December 10 (XINHUA) -- Chinese State Councillor Zhang Jingfu met here this afternoon Minoru Kobayashi, director and head of the Investigation Department of the Industrial Bank of Japan.

NEI MONGGOL SONG, DANCE TROUPE VISITS JAPAN

OW102150 Beijing XINHUA in English 1921 GMT 10 Dec 84

[Text] Kobe, December 10 (XINHUA) -- A Chinese Inner-Mongolian song and dance troupe has concluded a month of performances in Japan and will leave for home tomorrow.

The troupe arrived in Japan on November 13 as part of cultural exchanges between Chinese and Japanese youth and art organisations.

The troupe gave 26 performances in a dozen Japanese cities, including Hiroshima, Fukuyama, Tottori, Kobe and Osaka, and some rural areas before a total of 16,000 spectators.

The Chinese artists received warm welcome from the Japanese people and were invited to family dinners and get-togethers.

The Japan-China Friendship Association in Hiroshima announced before the troupe's departure that it would send an 80-member delegation to visit Inner-Mongolia next August as part of friendly exchanges between the youths of the two countries.

GUANGDONG GOVERNOR ENTERTAINED IN HONG KONG

OW081658 Beijing XINHUA in English 1642 GMT 8 Dec 84

[Text] Hong Kong, December 8 (XINHUA) -- Xu Jiatusun, director-general of the Hong Kong branch of the XINHUA NEWS AGENCY, gave a cocktail party here tonight for Governor of Guangdong Province Liang Lingguang and his party.

Liang and his party are visiting Hong Kong on their way home after a tour of Britain.

More than 200 local officials and noted figures from all walks of life in Hong Kong attended the function.

Xu Jiatusun said in his toast that Liang Lingguang was accorded a warm reception by the British Government during his friendly visit there, which had helped promote the mutual understanding and friendship between the Chinese and British peoples.

He also noted that Liang's wide contacts with the authorities and noted figures in Hong Kong during his stay here would surely deepen the mutual understanding of Guangdong Province and Hong Kong and further boost their economic and technological cooperation.

Liang said during his short stay in Hong Kong he would exchange views with Hong Kong figures to explore ways of cooperation and exchanges between Guangdong Province and Hong Kong and Macao. He added that the signing of the Sino-British joint declaration on the question of Hong Kong had provided more favourable conditions for their cooperation.

The cooperation should be more extensive in the near future, and it should not only be limited in the economic field but in the areas of science and technology, culture and tourism, he said.

This morning, Liang Lingguang met with Hong Kong Governor Sir Edward Youde who had just returned here from Britain. They discussed economic cooperation between Guangdong Province and Hong Kong and Macao. Liang Lingguang and his party arrived here on December 5.

YE FEI, DELEGATION MEET WITH THAI LEADERS

OW102049 Beijing XINHUA in English 1501 GMT 10 Dec 84

[Text] Bangkok, December 10 (XINHUA) -- Both Chinese and Thai parliamentary leaders expressed the wish here today to strengthen the friendly ties between the two countries.

This was expressed when Ye Fei, vice-chairman of the Standing Committee of China's National People's Congress (NPC) called on Ukrit Mongkhonnawin, chairman of the Thai National Assembly, at the parliament house this afternoon. Ye Fei is leading an NPC delegation that arrived here this morning for a week-long visit.

Ye Fei and Ukrit recalled the long-standing friendship between China and Thailand. Ye said that his visit is aimed at promoting the friendly relations between the peoples of China and Thailand, and he and other members of his delegation wish to meet old friends and make new ones.

Ukrit said the Thai people always regard Chinese people as kith and kin. He told Ye Fei that today is the 52nd anniversary of the promulgation of the Thai Constitution, and the NPC delegation is the first important delegation to visit Thailand on this happy occasion.

Ye Fei also paid a courtesy call to Uthai Phimchaichon, speaker of the House of Representatives at the parliament house this afternoon.

RENMIN RIBAO COMMENTARY ON GAS LEAK IN INDIA

HK100418 Beijing RENMIN RIBAO in Chinese 7 Dec 84 p 6

["Short" commentary: "After the Shock"]

[Text] The incident of the toxic gas leak in an agricultural chemical factory funded by foreigners in Bhopal, Madhya Pradesh, India, caused 2,000 deaths and did harm to 200,000 people. We are shocked by the news and would like to express our sincere sympathy and solicitude to the victims and their families.

Superficially this seems to be a mere technical question of a toxic gas leak. However, fundamentally speaking, this tragedy reflects a question in the relationship between the industrialized countries and the developing countries which is worthy of attention.

Today the world faces a turbulent time during which changes are taking place in the industrial, labor and the market sectors. The developing countries need capital, equipment, and technology. Some industrialized countries, in their transition to an information society, take advantage of this opportunity and shift to some developing countries the traditional industries which have high consumption, are labor-intensive, and cause serious pollution. "Export of pollution" has become characteristic of industries exported by of some industrialized countries. Over the past few years, news of pollution incidents which occurred in factories run by multinational companies in the developing countries is not uncommon. The Bhopal incident is a tragedy which occurred against an unbalanced and irrational world political and economic background.

In their economic and technical cooperation with the developing countries, the industrialized countries should respect the interests of the developing countries and sincerely help the developing countries speed up their economic construction, instead of only seeking private gains, shifting trouble onto the latter, or harming the latter to benefit themselves. This is the inevitable conclusion drawn by the people after their shock over the Bhopal incident.

UK HOUSE OF LORDS APPROVES HONG KONG DECLARATION

OW110242 Beijing XINHUA in English 0229 GMT 11 Dec 84

[Text] London, December 10 (XINHUA) -- The House of Lords of the British Parliament today approved without dissent the Sino-British joint declaration on the question of Hong Kong. The document was submitted to the chamber by Baroness Janet Young, minister of state for foreign affairs, as she did last week to the House of Commons, which nodded its unanimous approval after a similar debate.

In a speech to open the debate, Young said that the agreement on the Hong Kong question "sets out unique arrangements to deal with a unique problem bequeathed to us by history." "It provides a sound basis on which a stable and prosperous Hong Kong can continue into the next century."

Ex-Governor of Hong Kong Lord MacLehose said, "this is a brilliantly drafted agreement. It provides Hong Kong with an excellent opportunity to continue its prosperity and stability and life-style under the Chinese flag." "We have every reason to be grateful to the Chinese leaders for their vision and courage in offering the imaginative solution to a problem rooted in such an emotive history," MacLehose said: "This agreement is of wider significance than the problem it covers," he added.

Earl Birkenhead pointed out that this "comprehensive and satisfactory" agreement is the first agreement of its kind between a capitalist country and a communist power since the Soviet Union's October Revolution in 1917. The Hong Kong agreement represents a "pilot project" for the reunification of China, he added. "Let's do everything we can to help achieve this happy outcome."

Lord Shawcross said, "the Chinese are people who keep their word. ... I am confident about long-term stability, prosperity and cooperation in Hong Kong."

The unanimous approval of the agreement by both houses will be followed by next week's visit to China by Prime Minister Margaret Thatcher and Foreign Secretary Geoffrey Howe to sign the historic document.

BRIEFS

PRC-FRG TRAINING CENTER -- Harbin, December 6 (XINHUA) -- Sixty-one skilled welding workers and 49 teachers of welding techniques graduated today from a new Chinese-Federal German training center here. The center, organized by the Chinese Ministry of Machine Building Industry and the Germany Welding Society, opened on October 15, and a ceremony was held today to celebrate its first completed session. Lectures have been given by experts from the society's Training and Research Institute, the largest in the Federal Republic of Germany. The Harbin center is China's first using modern methods to teach welding techniques, officials here said. [Text] [Beijing XINHUA in English 1445 GMT 6 Dec 84 OW]

SUDANESE PRESIDENT MEETS LEADERS, HOLDS TALKS

Li Xiannian Welcomes Numayri

OW110213 Beijing XINHUA in English 0147 GMT 11 Dec 84

[Text] Beijing, December 11 (XINHUA) -- Sudanese President Ja'far Muhammad Numayri was honored at a grand, red-carpet welcoming ceremony presided over by Chinese President Li Xiannian here this morning.

The ceremony took place at the plaza to the east of the Great Hall of the People, which today flew the national flags of China and the Sudan. The Sudanese president and his wife, Mme. Numayri, arrived by car at 9:00 in the company of Rui Xingwen, Chinese minister of urban and rural construction and environmental protection. The Chinese president and his wife, Lin Jiamei, greeted them with warm handshakes. Two children presented the Sudanese President and Mme. Numayri with bouquets of flowers.

The ceremony began with a military band playing the national anthems of the Sudan and China amid a 21-gun salute. President Numayri, accompanied by President Li, reviewed a three-service honor guard. Then, President and Mme. Numayri went around to meet the welcoming crowd. Waving bouquets and colorful ribbons, several hundred youngsters danced and cheered the guests. President and Mme. Numayri kept waving back.

Among those present at the ceremony were Chen Muhua, Chinese state councillor and minister of foreign economic relations and trade; Wu Xueqian, state councillor and minister of foreign affairs; and Yang Bo, minister of light industry. Principal members of President Numayri's entourage were also present.

After the ceremony, President Li met President and Mme. Numayri at the Great Hall of the People. The meeting was followed by political talks between the two presidents.

Political Talks

OW110848 Beijing XINHUA in English 0831 GMT 11 Dec 84

[Text] Beijing, December 11 (XINHUA) -- Chinese President Li Xiannian held political talks with President Ja'far Muhammad Numayri of the Democratic Republic of the Sudan at the Great Hall of the People (here) today. During the talks, which proceeded in a sincere and friendly atmosphere, the two sides exchanged views on the international situation, bilateral relations and issues of common concern.

The two sides agreed that China and the Sudan held identical or similar views on major international issues. Li said that the international situation was still turbulent and tension had not eased, of which the root cause lay in the two superpowers' scramble for world hegemony, spheres of influence and the strategic upper hand. However, he said, since Soviet Foreign Minister Gromyko and U.S. Secretary of State Shultz had announced that they would hold negotiations next January, "we hope that they will achieve results through earnest negotiations."

The Chinese president called on the people of various countries in the world to unite in efforts to force the Soviet Union and the U.S. to reach, through talks, disarmament agreements which would not do harm to other countries, and to stop intervention in other countries, thus easing international tension.

Li also stressed the importance of South-South cooperation. He pointed out that this cooperation could not only help solve the economic problems now facing the developing countries but also promote more effectively the South-North dialogue.

President Numayri said that his country advocated respecting others' rights, non-interference in others' internal affairs and solution of problems without resort to arms. The Sudan, he pointed out, opposed arms race and storing of weapons of mass destruction, and condemned the present wave of terrorism in the world. Numayri called on all the countries in the world to fight against terrorist groups. Speaking of world inflation, Numayri said that all countries should unite to meet this threat and establish a new international economic order so as to let all peoples live comfortable lives.

During the talks, the two sides expressed their satisfaction over the development of Sino-Sudanese friendly ties since diplomatic relations were set up between the two countries, and especially since the Sudan's may revolution. They hoped to further develop and consolidate Sino-Sudanese relations and expand the friendly cooperation in various fields between the two countries.

Both Chinese and Sudanese presidents also exchanged information on the internal situations of their countries. Numayri invited President Li to visit the Sudan at a time convenient to him. Li accepted the invitation with pleasure. Among those attending the talks were Chen Muhua, Chinese state councillor and minister of foreign economic relations and trade; Rui Xingwen, minister of urban and rural construction and environmental protection; Yang Bo, minister of light industry; Zhou Jue, assistant foreign minister; and Liu Hua, Chinese ambassador to the Sudan. Also present were Sudanese Government ministers accompanying President Numayri on the visit and Ambassador to China Muhammad Hamad M. Matar.

VICE PREMIER TIAN JIYUN ARRIVES IN MALI

OW100922 Beijing XINHUA in English 0639 GMT 10 Dec 84

[Text] Bamako, December 9 (XINHUA) -- Chinese Vice Premier Tian Jiyun arrived here today for an official visit to Mali on the fifth leg of a six-nation African tour. He told reporters at the airport that his visit was designed to deepen the mutual understanding between the two peoples and to enhance the friendly and cooperative ties between the two governments.

Among those present at the airport to meet the Chinese vice premier were State Minister for Economy and Planning Oumar Coulibaly, Interior Minister Abderhamane Maiga, Agriculture Minister N'Fagnanama Kone and Chinese Ambassador to Mali Zhou Haiping.

Tian visited Sierra Leone, Nigeria, Benin and Togo before coming here. He will also visit Liberia before ending his tour.

Meets Malian President

OW101725 Beijing XINHUA in English 1608 GMT 10 Dec 84

[Text] Bamako, December 9 (XINHUA) -- Malian President Moussa Traore has accepted an invitation from Chinese leaders to visit China. The invitation was conveyed to him by Chinese Vice-Premier Tian Jiyun when they met at the presidential palace here today.

Traore greeted newly-arrived Tian with high praise for Sino-Malian friendly relations. Traore declared that China's aid to Mali has been of enormous significance to the country during its current economic difficulties. He said that China is a great country not only because of its large population but because of the role it plays in the world.

Tian, paying tribute to Mali for its own efforts in building the country and overcoming difficulties under the leadership of President Traore, replied that China's aid to Mali is small, but sincere, and predicted that economic and technical cooperation between the two countries will be expanded with the development of Sino-Malian friendly relations. The Malian Government gave a banquet for the Chinese vice-premier and his party here this evening.

HUANG HUA MEETS ZANZIBAR'S SPEAKER OF HOUSE

OW101745 Beijing XINHUA in English 1605 GMT 10 Dec 84

[Text] Zanzibar, December 10 (XINHUA) — Idris Abdul Wakil, speaker of the Zanzibar House of Representatives, today received a 12-man delegation of the Chinese National People's Congress (NPC) headed by Vice-Chairman of the NPC's Standing Committee Huang Hua.

Huang Hua informed Mr. Wakil of his talks with speaker of the Tanzanian National Assembly Sapi Mkwawa. Huang Hua said that he and Mkwawa shared a common desire to develop the friendship between the two parliaments and two countries. Huang also briefed Wakil on the Chinese Constitution and leadership.

Wakil happily accepted the invitation to visit China extended by Huang Hua on behalf of Chairman of the NPC's Standing Committee Peng Zhen.

After the meeting, Huang Hua and his entourage visited the Maruhubi cigarette factory and the Amani Stadium, both built with China's assistance, a clove estate, the museum of the former Afro-Shirazi Party and a former slave market.

The Chinese NPC delegation arrived here today after concluding a week-long visit to the mainland of Tanzania.

RONG YIREN, UAE PRESIDENT DISCUSS BILATERAL TIES

OW100853 Beijing XINHUA in English 0742 GMT 10 Dec 84

["UAE President Meets Chinese Guest (by Li Houzhi)" — XINHUA headline]

[Text] Kuwait, December 9 (XINHUA) -- Zayid ibn Sultan al Nuhayyan, president of the United Arab Emirates (UAE), today said he is "very happy about the establishment of diplomatic relations between the UAE and China." He noted that China, a big power, "upholds justice, supports the Arab just cause and has friendly relations with the Arab states."

Zayid made these remarks at a meeting in Abu Dhabi with Rong Yiren, chairman of the board of China International Trust and Investment Corporation, and his party -- the first delegation New China has ever sent to the UAE. The two countries established diplomatic relations on November 1.

XINHUA learned in a telephone interview that during the meeting, Rong extended congratulations from Chinese President Li Xiannian to the UAE president on the establishment of diplomatic relations between the two states. Zayid also asked Rong to convey his respects to Li.

Zayid said, "it is the fundamental principle that countries in the world, big or small, should live in peace and respect for each other."

"We hope that friendly relations between China and the UAE and other Gulf states would grow healthily like a sapling," he added.

Rong briefed Zayid on China's economic and modernization developments, and praised the achievements the UAE has made in developing its own economy and raising the people's living standards. He looked forward to an increase in economic relations, trade and cooperation in other fields.

Last night, UAE Vice Commander-in-Chief of the Armed Forces Khalifah ibn Zayid also met with Rong and expressed his hope that "the establishment of diplomatic relations between China and the UAE would open a new prospect for cooperation." "Such relations are founded on the basis of mutual respect and benefit," he added.

Rong and his party arrived in Abu Dhabi on December 5. In the past few days, they have exchanged views with the UAE officials and entrepreneurs on cooperation in the fields of economy, trade and investment.

PRC, SYRIA SIGN CULTURAL COOPERATION PACT

OW070820 Beijing XINHUA in English 0640 GMT 7 Dec 84

[Text] Damascus, December 6 (XINHUA) -- China and Syria will boost their ties in culture, education and art, according to Vice Minister of Culture Zhou Weizhi, who signed December 4 a new agreement on cooperation in culture for 1985-1987 with the vice education minister of Syria.

The Chinese vice minister and Syrian Culture Minister Jajah Attar, as well as officials of the education ministry, reviewed with satisfaction the development of the cultural relations between the two countries.

The Chinese delegation led by Zhou arrived December 1 and visited the newly-inaugurated Al-Asad Library, Cultural and Educational Institutes, and the national museum.

ISRAEL FACES 'DEEP' ECONOMIC CRISIS, FOREIGN DEBT

OW091936 Beijing XINHUA in English 1918 GMT 9 Dec 84

["News Analysis: Israel in Deep Economic Crisis (By Wang Lianzhi): -- XINHUA headline]

[Text] Beijing, December 9 (XINHUA) -- Every sign from Israel shows that the economic crisis in the country is continuing to deepen and that it is now hard to put an end to the vicious cycle plaguing the economy.

Figures issued by the Israeli Central Bureau of Statistics indicate that from January to October this year, no month passed without rise in consumer price index. The yearly inflation rate is estimated to reach 1,260 percent, the highest in the world.

Israel also leads the world in per capita foreign debt. Successive governments in Israel have relied heavily on foreign debts, particularly those from the U.S., to keep its economy afloat. With less than four million people, Israel's foreign debts have now risen to over 24.8 billion dollars, or more than 6,000 dollars for each Israeli.

Meanwhile, foreign exchange reserve dropped from 3 billion dollars in January to 2 billion at present, hardly enough to sustain the country's import for two months. The current reserve is even below the minimum level of 2.8 billion dollars maintained by the previous governments to ensure the imports of oil, wheat, arms and raw materials to continue the war against the Arab countries.

The worsening economic crisis is a corollary of Israel's policy of expansion and aggression since its establishment in 1945. Israel has launched five major wars against Arab countries, thus leaving little chance to develop its economy. It now keeps a large army and large reserves totalling over 500,000. One third of its 22-billion-dollar budget is spent on military purposes, with another one third going to the repayment of debts and debt servicing. Therefore, very little is left for economic development.

The 1982 war in southern Lebanon alone cost Israel as much as over one billion dollars. It now lays out one million dollars everyday to keep some 20,000 troops there. In addition, it has spent a great deal for the building of new settlements in the West Bank and Gaza.

The economic crisis has generated political storms at home. A row over who should be responsible for the economic mess led to an early general election last July, more than one year ahead of schedule. After two-month tough bargaining Shimon Peres of the Labor Party became the new prime minister.

Shortly after he took office, Peres hurried to the U.S., asking for new economic help. The U.S. has promised a 2-billion-dollar aid to Israel for next year and allowed on its own initiative Israel to reschedule a 500-million-dollar debt already due.

Besides, the Peres government has announced a three-month-freeze on wage and price, a cut on administrative spending and restrictions on imports of luxury goods. But, all these stopgap measures are unlikely to help improve the situation in Israel unless it abandons its policy of aggression and expansion.

ELIMINATE 'BEING CONSISTENTLY CORRECT' ON THEORY

HK110457 Beijing RENMIN RIBAO in Chinese 10 Dec 84 p 5

["Ideological commentary" by Wen Yu and Yu Li: "This 'Being Consistently Correct' Should Also Be Eliminated"]

[Text] In the course of exploring and studying theoretical problems, theoretical workers usually change or correct what they advocated before, and they adhere to or stand for certain theoretical views. This is a normal practice and accords with the law of understanding. In this way, they can grasp things they failed to grasp before and can correct what they understood wrongly before. Only by so doing will theory be enabled to keep progressing and will people's understanding gradually get close to truth.

Of course, such change or revision of theoretical viewpoints is by no means a rash and hasty action; it comes from the effort made by theoretical workers to straighten out their previous points of view through in-depth studies and the test of objective practice, proceeding from the development of science and the discovery of new problems. This is a scientific attitude that a real theoretical worker should take.

However, some people do not proceed in this way. Their changes of view on certain theoretical problems do not come from their in-depth studies and efforts to seriously straighten out their previous points of view, but are actuated by particular reasons. Therefore, these people can stand for this today and stand for that tomorrow, and then they may return to what they stood for before. They do as they please and no one knows what on earth they stand for.

It is nothing, if they only do this, because one may hold particular views on a theoretical problem (even though one's views may change at any time). This is a matter for oneself, after all; it does no great harm to others. The problem is that some people often repudiate particular points of view that they themselves stood for or agreed to before in order to show that they are "stainless" and "correct." When they repudiate these points of view, they do not feel at all ill at ease, although they stood for or agreed to these viewpoints before; still less do they make the slightest self-criticism.

Nevertheless, things in the world are complex and history sometimes likes to tease some people. Facts show that the viewpoints they resort to in order to repudiate others are wrong, but before long the viewpoints that they stood for or agreed to, but which they themselves then repudiated, are precisely right. In the ordinary course of events, they should honestly acknowledge this fact. No. "Real Marxists" will never be put on the spot. These people argue again: "We have stood for this for a long time. If you do not believe it, you can bring out the articles we wrote before."

In order to maintain and develop a scientific and realistic spirit, such arguments of "being consistently correct" on the theoretical front must be toppled. If such arguments are not eradicated, our theoretical workers who honestly engage in scientific research will never gain ground. How then can our theoretical work flourish?

RENMIN RIBAO ON 'ADDICTION' TO POLITICAL MOVEMENTS

HK110240 Beijing RENMIN RIBAO in Chinese 8 Dec 84 p 4

["Random Talk" article by Xiao Yu: "It is Better 'Not To Satisfy Addiction'"]

[Text] The first phase of party rectification will soon be complete. Some people have said: "This party rectification has been insipid. It does not satisfy our addiction."

How could it "satisfy their addiction"? As they say, it could be satisfied only if some people were dragged out, criticized, and struck down. Do people still remember that during previous movements so many "elements" and "capitalist roaders" were dragged out, criticized, and struck down; how invigorating and "satisfying to the addiction" this was! But what were the consequences? Democracy was suppressed, the communications channels were blocked, the economy was sabotaged, and the people suffered. The party members and people in China will never be willing to allow a repeat of such a catastrophe and tragedy.

There are various kinds of addictions, such as those to narcotics, alcohol...but what should we call this "addiction"? Since it is difficult to name it, let us just call it an "addiction to political movements" or, to be exact, on "addiction to making people suffer." It is shameful to admit that this "addiction to making others suffer" could be counted as one of the "special Chinese products." China has been pursuing socialism for 35 years. However, those consecutive undulating political movements accounted for more than two decades. And during these years a batch of people who can only make a living from political movements and from making people suffer were trained. Because of the benefits and advantages involved, they are so deeply in love with running political movements that even when just hearing some terms associated with political movements they feel delighted. Since the 3d Plenary Session of the 11th CPC Central Committee, the majority of these people have already given up this kind of addiction and turned over a new leaf. However, people who have not given it up still exist.

In the beginning of party rectification, many comrades inside and outside the party constantly worried that those "leftist" errors of the previous political movements would be repeated. This was not an unnecessary worry at all. Owing to the fact that our CPC Central Committee is mature and wise and firmly grasps the correct direction to guide it in healthily developing, during the party rectification the previous wrong practices of wild exaggeration, cruel struggle, and merciless blows have been absolutely abolished. Instead of pursuing the "grand and spectacular," problems inside the party are solved through criticism and self-criticism by seeking truth from facts and heart-to-heart talks, thus enabling party members to make new enhancement and progress in ideology, style, and discipline. Thus, reforms in the cities and countryside have been greatly promoted. Such a kind of "insipid" practice has solved problems and not caused any troubles. What is wrong with it then?

Lin Zexu once stated, when banning opium many years ago: "To cut off one's addiction, we must dispose of his smoking pipe, making it as if a comber was deprived of his comb and a writer was deprived of his pen. Thus, even a heavy addict could not have his way, but would have to make up his mind." This is really wise indeed. In party rectification we have not repeated those mistakes of making people suffer. And one of the important reasons is that we had disposed of the "smoking pipes" of those "heavy addicts" -- "people of the three categories" -- and removed them from leading positions. Therefore, they could not "have their way" even though they are "heavily addicted."

Narcotics addiction is harmful and the first victim is oneself. But "addiction to political movements" and to "making people suffer" is more harmful not only to oneself but also to the party, the state, and the people. Therefore, it is advised that those people who do not belong to the "people of the three categories" but are devoted to such "addiction" should make up their mind to give it up completely.

CPC CIRCULAR DENOUNCES SPECULATION, PROFITEERING

OW011251 Beijing XINHUA Domestic Service in Chinese 0905 GMT 10 Dec 84

[Text] Beijing, 10 Dec (XINHUA) -- The CPC Central Committee Discipline Inspection Commission issued a circular on 6 December in connection with the resale of color television sets at high prices by six units in Fuzhou, Fujian. The commission urges party organizations at all levels to pay attention to the matter and take effective measures to stop the unhealthy tendency of violating the state's pricing policy and disrupting the reform of the economic structure.

The circular says: The commodity price issue is an important matter which concerns the people's vital interest. The CPC Central Committee and the State Council have repeatedly urged all production units and departments in charge of supply and marketing to strictly abide by the state's pricing and supply policies, and to firmly stop such irregularities as raising prices irrationally or in a covert manner, driving up negotiated prices, or reselling goods on the spot for the purpose of reaping a windfall, and engaging in speculative and profiteering activities. However, certain party, government, and military units still stick to their old way of doing things, even if they know that it is wrong. Some enterprises, instead of improving their economic performance by making great efforts to improve their operation and management, have resorted to willful price hikes. Such lawlessness is very harmful because not only does it infringe upon the state's and the consumers' interests and undermine the political situation marked by stability and unity, but it also provides certain lawless elements in society an opportunity to disrupt the socialist market and the normal progress of reform of the economic structure.

The circular urges party committees and discipline inspection commissions at all levels to intensify ideological education among party members, cadres, and workers, to lead them to study and implement the "Decision of the CPC Central Committee on Reform of the Economic Structure," and to educate them to set an example in abiding by party and state policies and by party discipline and state law, making sure that they act according to the law, stop doing what is impermissible, and serve the people wholeheartedly. It says: Any disregard of party discipline and state law and any act of benefiting a small group of people or some individuals at the expense of the state's and peoples' interests shall be considered as unlawful and shall be dealt with accordingly. Communist Party members and state functionaries who take advantage of their jobs to carry out speculative and profiteering activities shall be severely punished according to party discipline and state law. The responsibilities of leaders of malfeasant units shall be investigated. Discipline inspection commissions at all levels must regard resolutely stopping such unhealthy tendencies as one of their major projects in order to make sure that reform of the state's economic structure can progress smoothly.

Fujian Units Punished

OW102349 Beijing XINHUA Domestic Service in Chinese 1238 GMT 10 Dec 84

[By reporters Cai Guicun and Xu Yiming]

[Excerpts] Fuzhou, 10 Dec (XINHUA) -- Six commercial units -- namely the Fujian Provincial Xinhua Industrial Corp; Fuzhou City Sanshan Trading Corp; Xiadu Joint Industrial Department in Cangshan District, Fuzhou City; Fujian Provincial Trade and Trust Corp; Fuzhou City Trade and Trust Corp; and Huaqinglou Marketplace of Fuzhou Service Corp. -- have been dealt with for reselling color television sets at excessive prices.

The Fuzhou City Government has decided to freeze all the illegal gains made by these units and take different economic sanctions against them according to the seriousness of their cases.

The Fuzhou City Sanshan Trading Corp. and the other five units, which are all sales agents, purchased and resold 1,822 color television sets of various specifications from early September to late October this year. Of these, 1,446 sets were resold at arbitrarily hiked prices, and the illegal profits from the resale totaled 96,832 yuan.

In dealing with the six units, the Fuzhou City Government has decided to apply different economic sanctions according to the seriousness of the cases. The illegal profits of some units will be confiscated and turned over to the state treasury. Other units will be fined and instructed to make up tax payments according to pertinent regulations. Responsible persons of these units will be asked to intensively examine their mistakes, and then they will be dealt with in a manner commensurate with their performance in making the examination. In addition, the city government has issued an "Emergency Circular on Immediately Halting the Two Unhealthy Trends of Buying and Reselling for Profit State Materials in Serious Short Supply and of Arbitrarily Increasing Commodity Prices." Measures have also been taken to bar party and government organs and mass organizations in the city from doing business.

CONSTRUCTION COMPANY LINKS IDEOLOGICAL WORK, REFORM

HK101134 Beijing RENMIN RIBAO in Chinese 10 Dec 84 p 1

[Report by Zhou Zhongkun and Yang Zhenwu: "No 12 Chemical Works Construction Company Under the Ministry of Chemical Industry Hits the Right Target in Doing Ideological and Political Work in Close Connection With Reform"]

[Text] In the course of reform, the No 12 Chemical Works Construction Company under the Ministry of Chemical Industry has hit the right target in conducting ideological and political work and leading the workers and staff members to actively plunge into reform. Meanwhile, the company also took note of resisting the corrosive influence of erroneous ideas, overcame unhealthy tendencies, and ensured the smooth progress of various reforms.

The No 12 Chemical Works Construction Company is a construction enterprise under the Ministry of Chemical Industry. In the last 2 years, the company has carried out a series of reforms in smashing the two "big pots," which aroused the initiative of the workers and staff members in production. However, some unhealthy tendencies appeared in the course of contracting projects and competition. Some people bargained over and over again and were unwilling to accept the tasks until demands were complied with. For the sake of their own convenience, some affected the procedures of other work. Proceeding from ideological education, the company CPC Committee used various forms to educate the workers and staff members to correctly treat the division of labor, vigorously advocated the spirit of mutual cooperation, and carried out activities of socialist labor emulation. The whole company established nine youth assault teams with a fixed number of staff members. These teams dashed toward difficulties in construction, made things easy for others, and became pioneers of the enterprise in instituting reform. In the course of expanding its business, the 4th construction office contracted the building of a small hydropower station in a mountain valley. Investment for the hydropower station was small and the construction conditions were difficult. The youth assault team led by Liu Lianguo voluntarily undertook the project. By carrying out the emulation drive and with the support of others, the team accomplished the task on schedule and in good quality.

The Company CPC Committee also integrated ideological and political work with enforcement of the rules and regulation and encouraged the broad ranks of workers and staff members to become models in observing discipline and abiding by the law.

In the course of reform, some workers and staff members merely stressed the results of their own enterprise and attempted to earn more money for their own units, regardless of the social results of their enterprise. The company CPC Committee time and again guided the workers and staff members to correctly handle the relationship between enterprise results and social results. The company also carried out the activity of "creating fine quality projects and establishing trust," which clearly stipulated that apart from the contract, no additional money should be charged, and it is impermissible to exact excessive charges from the construction units. Whoever corrupts the reputation of the company will be criticized and punished. His monthly bonus will be deducted and the amount of money exacted should be paid back in full. In the last 2 years the construction teams of this company undertook construction projects in Sichuan, Heilongjiang, Jiangsu, Shandong, Beijing, and other localities, accomplishing more than 30 construction projects a year. These construction teams curbed the unhealthy tendency of indiscriminately exacting excessive charges and completed the projects with less investment, a short construction cycle, and good quality. They also regarded November each year as the month for visiting the clients and listening to their opinions on the quality of the projects. Due to the good work style of the construction teams, they won the acclaim of the customers. Some of the customers made decisions on "emulating the No 12 Chemical Works Construction Company" in their units respectively.

As the No 12 Chemical Works Construction Company hit the right target in solving new problems emerging in reform, the enterprise has achieved better economic results. By the end of November this year, the company's output totaled more than 51 million yuan, the labor efficiency of the whole staff exceeded 10,000 yuan, the profits per capita topped 1,000 yuan, and the rate of fine quality projects reached 93 percent.

Commentator's Article

HK101126 Beijing RENMIN RIBAO in Chinese 10 Dec 84 p 1

[Commentator's article: "It Is All the More Necessary To Strengthen Ideological and Political Work in Reform"]

[Text] How should we deal with some passive phenomena in the course of reform? There are only three ways: 1) Turn a blind eye to them; 2) give up the reform; and 3) adhere to reform, strengthen ideological work, guide the staff members and workers to correctly understand reform, actively take part in the reform, and resist the influence of erroneous ideas. Obviously, the first two ways are wrong and only the last one is correct.

With large-scale construction being carried out everywhere, the building industry departments have now become well-liked. In addition to high efficiency and fine quality, the No 12 Chemical Works Construction Company has no such shortcomings as asking to be treated to feasts, obtaining something from others, putting up obstacles to others, and asking for benefits. This is indeed commendable. Such building industry departments are of course welcomed by all people. By strengthening ideological and political work among staff members and workers in order to timely correct unhealthy tendencies and ensure the smooth progress of reform, their experience is of universal significance.

"As we are now enlivening the economy, bad invoices may appear time and again. Companies need not answer for that." This idea is somewhat representative. If we follow this, it will harm not only the interests of the state, but also the comrades concerned. While enlivening the economy, it is also necessary to observe party discipline, administrative discipline, and state law. Otherwise, we will follow the wrong road. It is understandable that we cannot quickly decide on which rules and regulations should be adhered to or altered. But reform must be carried out.

If it helps to promote the stability of society, the development of production, and the building of the socialist spiritual civilization, we must boldly carry out experiments and timely sum up experiences in order to adhere to what is correct, to correct what is wrong, and to improve what is imperfect.

Ideological and political work must resolutely serve the party's general tasks and targets, and must be carried out in close connection with economic construction and the reform of the economic structure. It is necessary to educate the cadres, staff members and workers in order to raise their consciousness and unleash their initiative to ensure the smooth progress of reform. It is necessary to strengthen the building of the political work contingent itself and upgrade the quality of political workers. Ideological and political workers must earnestly conduct investigations and research on the new situation and new problems arising in reform, continuously explore new forms and experiences in the ideological and political work which meet the needs of reform and which correspond with the ideological level of the masses, conduct ideological education in carrying out various activities, and create a new situation in ideological and political work.

In the protracted revolution and construction, we have built up many good ideas, styles and traditions, all of which are not outdated. We must further advocate and carry forward these good ideas, styles, and traditions in reform. It is necessary to vigorously commend those advanced examples which pay attention to the overall situation and correctly handle the relationship between state, collectives, and individuals in order to better carry out reform and achieve better results in building the two civilizations. The experience of the No 12 Chemical Works Construction Company is worth learning.

COMMENTATOR EXAMINES INTEGRATING THEORY, REALITY

HK101024 Beijing GUANGMING RIBAO in Chinese 7 Dec 84 p 1

[Commentator's article: "Theory Must Be Integrated With Reality"]

[Text] Any item of important work must be guided by theory, either by correct theory or by erroneous theory. In the same way, any item of important work or other work has its own characteristics and is continuously changing. No two items of work are identical and no work remains unchanged. This tells us that we must attach importance to both theory and reality and must closely link them together. Theory, which is separated from practice, is empty theory, and practice which is separated from theory is blind practice. People who do not know theory will act rashly and those who do not understand reality are armchair politicians.

Comrade Mao Zedong's greatest contribution in his lifetime was the integration of the basic principles of Marxism-Leninism with China's concrete reality, thus leading the Chinese revolution and construction to great victories. The reason why he committed mistakes later was precisely that he went against the principle of closely integrating theory with reality. We must bear in mind this profound lesson. The greatest merit of the 3d Plenary Session of the 11th CPC Central Committee was the restoration of and persistence in the ideological line of proceeding in everything from reality, seeking truth from facts, and integrating theory with reality. This was the basis for effecting a great historical turn. At present, the key to studying, understanding, and implementing the Central Committee's decision on the reform of the economic structure and doing a good job in this reform remains the close integration of theory with practice. He who belittles theory will accomplish nothing; and he who belittles practice will accomplish nothing either.

The CPC Central Committee has set an example for us in integrating theory with reality. However, the phenomenon of separating theory from reality has still existed in ideological and theoretical circles the past few years.

The situation of losing contact with reality and not being daring or willing to study actual situations, actual problems, and actual experience is still rather serious in theoretical research, theoretical propaganda, and the teaching of theory. Some people start from books and concepts and end in books and concepts. They use the methods of studying the Confucian classics in approaching Marxism. They are satisfied with making connotations and explanations, but they are not able to explore the lively social practice and put forward new ideas. The phenomenon of belittling theory and acting blindly and rashly also exists among people who do practical work. This demands that we further integrate theory with reality and not make mistakes on this question.

How can we closely integrate theory with reality? The first thing is of course to study theory and to selectively study works of Marxism and Mao Zedong Thought. This is particularly necessary for comrades who were recently admitted into the party because they have read relatively few works on Marxism. At present, the focus of theoretical study should be Marxist economic theory. We must pay special attention to studying the basic theories of Marxism and should not look for ready solutions to some concrete problems. For example, Marx and Engels said nothing about the socialist commodity economy. However, once we master the basic principles of Marxism and use them to analyze the reality of China's socialist construction, we will easily draw a correct conclusion. In the meantime, we must also study modern science and technology.

The greatest reality at present is the four modernizations drive and the quadrupling of the annual output value. If our theoretical workers do not go deep into this reality, they will certainly lag behind. Therefore, it is necessary for some of the people on the ideological and theoretical front to conduct on-the-spot studies and investigations. This is the fundamental way to integrate theory with reality. Comrades on the ideological and theoretical front must pay attention to studying economic problems. If we say we missed our opportunities, we must seize them in the future and must not miss them again.

PLA ARMORED FORCE DEVELOPING NEW TANKS

HK110426 Beijing ZHONGGUO XINWEN SHE in Chinese 1332 GMT 10 Dec 84

[Report by Li Wei: "China Is Carrying Out Research Into Numerous New-Type Tanks"]

[Text] Beijing, 10 Dec (ZHONGGUO XINWEN SHE) -- The PLA Armored Force now possesses the ability to destroy compound armored tanks that have a strong protective capability. It is also intensifying the design and development of numerous new-type tanks with powerful firepower, high speed, and strong protective capability.

Like other armored combat vehicles, tanks constitute the basic equipment of the Armored Force. Since its founding in 1950, the PLA Armored Force has gradually renovated its equipment. At present, the Armored Force possesses not only medium-size tanks which can perform various combat missions but also amphibious tanks suitable for running in networks of rivers and rice fields, and fording rivers and streams; light tanks suitable for combat duties in both the mountain areas and networks of rivers and rice fields; special tanks for carrying out special duties; armored personnel carriers with splendid cross-country performance; 122-mm caterpillar self-propelled guns, and 130-mm self-propelled rocket guns. It thus possesses a complete equipment system, equipped primarily with medium-size combat tanks and supplemented by various kinds of combat and auxiliary vehicles, and has become an important and prominent Chinese Army force.

The tanks used by the PLA Armored Force in its early days were purchased from the Soviet Union. The first group of tanks, copied from the Soviet Union in 1959, were called the "59-type."

Immediately after that, we began some transformations in the course of imitation, and these transformations were reflected in the three major functions of the tanks -- fire-power, protective power, and maneuverability. For example, we installed a protective sheet [ping bi qun ban 1456 5599 5942 2647] on the moving part in order to prevent hits by armor-piercing shells from the side; we installed a double-direction stabilizer [shuang xiang wen ding zhuang zhi 7175 0686 4489 1353 5944 4999], a laser range finder, and a ballistic computer in the firepower control system; and we increased the per-unit power of the tanks and thus considerably increased the percentage of first hits and its maneuverability. In addition to that, we also used rubber-coated caterpillars [quo jiao lu dai 2171 5231 1462 1601] to reduce vibration and noise. The transceivers we installed came up to advanced world standards. Since the 1970's China has started to independently design and develop a new generation of combat tanks and other armored vehicles.

Military sources said that China's new tanks are capable of resisting fallout [fang yuan zi 7089 0626 1311], chemical weapons, and bacteria. They can also cross rivers under water. During the large-scale military exercises in northern China in 1982 and the counterattack against Vietnam in self-defense, China's tanks displayed their excellent combat effectiveness.

LIAOWANG STRESSES AGRICULTURE AS ECONOMIC BASE

HK100443 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 9 Dec 84

[Text] Issue No 57 of LIAOWANG to be published tomorrow carries a commentator's article entitled "Continue To Do a Good Job of the Great Business in the Rural Areas."

The commentary points out: The focus of economic reform is now shifting from the rural areas to the urban areas. Does this shift mean that agriculture is no longer the foundation of the national economy? Does it mean that rural reforms have now been completed? No. Agricultural has been, is, and will remain the foundation of the national economy. the focus can be shifted, but the foundation cannot be. Agriculture is a great business in the building of socialism with Chinese characteristics. Work on this great business has only just started, and requires a great deal more effort.

The commentary says: There should be no talk of departing from agriculture (?in) achieving the strategic goal of quadruplication. Even if the pace of agricultural development is made a bit bigger, it is still not good enough. Feeding and clothing a population of 1 billion, and providing raw materials and markets for industry and foreign trade and revenue for the state cannot be separated from agricultural development. It is not long since a new situation was created in China's agricultural. Generally speaking, the production level is not high and the foundation is still very weak. The development is uneven. At present, the food and clothing problem has not yet been solved for about 10 percent of China's peasants. Strictly speaking, the income level even of those peasants who have discarded poverty and initially become rich is still low. These problems require long-term and unremitting efforts on our part to solve.

As for the rural reforms are concerned, the responsibility systems that have been established everywhere need further improvement. Relatively great readjustments are required to deal with irrational rural production structure, in cultivation, in agriculture, forestry, animal husbandry, sideline occupations, and fisheries, and in agriculture, industry, and commerce. It is also urgently necessary to solve the problems of clogged circulation channels which hamper the development of commodity production, and of the difficulties of buying and selling things which have emerged because of this.

The commentary points out in conclusion: The central authorities' policy decision to shift the focus of economic reform from the rural areas to the towns does not mean that all rural problems have been solved and that rural reforms can now come to a halt. On the contrary, the decision is aimed at further developing the new situation already created in the rural areas. An important goal of shifting the focus of reform to the towns is to create favorable conditions for making the rural economy develop in the direction of specialization, commodity production, and modernization.

CHINA DAILY ON NEED FOR PUBLIC UTILITY REFORM

HK110309 Beijing CHINA DAILY in English 11 Dec 84 p 4

[Text] Public utilities such as transport, gas and water supplies, should be reformed, according to a signed article in the monthly magazine Urban Construction.

The present free use of public facilities should be ended in order to reduce State subsidies and to recoup capital outlay. Payment should be asked for such services as sewage disposal. The money earned could be used in maintenance. Tolls could also be charged on highways and bridges. The first toll tunnel in Shanghai has been making a profit since it opened in the early 80s. It hands over 4 million yuan each year to the State.

City public transport enterprises should improve their services and management. A city bus company in Bengbu City, Anhui Province, had a 248,000 yuan deficit in a three-year period. It then applied the contract responsibility practice to every bus and earned 69,000 yuan in profit in a three-month period. The service also improved. A trolley bus company in Shengyang has reformed its personnel, wage and operation structures, and is now providing a better service to city residents.

Low fares are one of the reasons for losses on public transport. As a result, fares have increased in some cities. The extra cost of monthly bus passes are borne by workers' employers as part of their benefits.

Reforms of taxi services have proved successful in some places. Every car is contracted to its driver. Taxi fares vary according to types of vehicle. Development with foreign investment, joint ventures or bank loans, are encouraged. This diversified management of taxi services has solved the present shortage of taxi services in some big cities.

The gas industry has been developing rapidly since 1978, when it was available only in 55 cities and supplied to 11 million people. At the end of last year, 98 cities in China had gas cookers for residents. There is much room for further development in the gas industry. Surplus gas in mines and factories should be tapped to popularize gas in small and medium-size cities, and the capacity of gasworks should be expanded. The price of gas should also be raised to meet the production cost. In some cities the price of coal has risen to 60 yuan per ton from the previous 20 yuan, but the price of cooking gas has fallen from 0.21 yuan per cubic metre to the present 0.07 yuan.

In addition, the business tax on gasworks -- which is 55 percent -- is too high. The State should grant a favourable tax reduction in order to boost production.

It is estimated that in 1990, 40 percent of urban residents will use gas in their kitchens. In key cities, it will be 60 percent. In Beijing, Tianjin, Shanghai, Shenyang and Dalian, all residents will have gas cookers.

On top of the list for reform should be the separation of construction and management. At present the same city administration is responsible for both. After reform, construction projects should depend on tendering instead of government investment. The contract responsibility system should be introduced, with a fluctuating wage scale based on work done.

Tap water consumption should be reduced to solve the water shortage in cities. Meanwhile, the management of waterworks should also be reformed to make it profitable. Profits, which used to be handed over to the State, should be used by the waterworks, especially for new water supply projects.

JINGJI RIBAO REPORTS ON CONTAINERIZED TRAFFIC

HK101431 Beijing JINGJI RIBAO in Chinese 3 Dec 84 p 1

[Report by correspondent Zhang Zhishu and reporter Wang Ruozhu: "China's Capacity for Container Transportation Increases by a Big Margin"]

[Text] Since the beginning of this year, the transportation of containers in our country has developed rather rapidly. From January to October the railroad, communications, civil aviation, post and telecommunications, and foreign trade departments transported a total of 6.91 million containers, 38 percent more than the number of containers transported in the same period last year. Of them, 290,000 were international containers, 79 percent more than the number of international containers transported was 8.91 million tons, 50 percent more than that in the same period last year.

As a result of our economic development, various departments have gradually realized the advantages of containerization and have become more and more enthusiastic for providing this service. This year medium and small ports such as Xiamen, Shantou, Zhanjiang, and Haikou have established new shipping lines between themselves and Hong Kong in addition to providing container transportation services. The number of railway stations providing container transportation services have increased from last year's 211 to 250 this year. Of them, 14 have undertaken to transport international containers. Now all the provinces, autonomous regions, and cities directly under the central government that have their own railroads provide this service. Both the number of containers and the volume of goods transported by the post and telecommunications departments have increased by more than 100 percent compared with those in the same period last year. What merits our special attention is the big increase in the number of international containers transported by cars. From January to October this year, about 140,000 international containers, or, in other words, more than 1 million tons of goods, were transported by cars, more than 100 percent more than in the same period last year.

At present more than 50 percent of the containers transported by the country's railway stations are transported through their door-to-door transportation service and about 90 percent of the containers transported by the Jinan Railway Station, Qingdao Railway Station, Zhengzhou's East Station, Beijing's Guangan Gate Station, and Tianjin's South Station are transported through their door-to-door transportation service.

Editorial On Highway Construction

HK101444 Beijing JINGJI RIBAO in Chinese 3 Dec 84 p 1

[Editorial: "Build Expressways in a Planned Way, Accelerate the Development of Container Transportation"]

[Text] An important way to reform the structure of our communications and transportation is to build expressways and to develop container transportation.

As early as more than a dozen years ago, the departments concerned forwarded proposals on the construction of expressways. However, because of the then low use rate of the highways, their proposals were not adopted. Now, because of the objective needs of the economically developed areas in our country, the question of expressway construction has been put on the agenda. With expressways and container transportation facilities, we can undertake to transport sundry goods within a distance of 200 km, undertake to transport high-grade goods within a distance of 500 km, and undertake to transport fresh goods within a distance of 1,000 km.

At present, the developed countries in the world are building more and more expressways. Third World countries have also gradually come to realize the importance of expressways for economic development. Thus, one after another they build expressways. The developed industrial countries have demonstrated that expressways combined with container transportation can bring about high speed, quick turnover, low consumption and damage rates, and great vitality. In recent years our town and township industry and commodity economy have rapidly developed, and large-scale exchanges of goods and materials between the rural and urban areas have been increasing. Thus, more and more goods need to be urgently transported to other parts of the country. Economic development has made the construction of expressways an urgent need.

In container transportation, mishandling and damage are reduced by door-to-door transportation. This is an economical and reasonable way of transportation commonly adopted by the countries of the world. Many ports have made it a rule that all sundry goods must be transported in containers. In the mid-1950's, we began using containers to transport goods. However, because of various factors, container transportation developed very slowly. In recent years, development has been more rapid. However, it still cannot meet the needs.

After building expressways, it is still necessary to popularize the use of containers and to combine them with containers and heavy trucks before we can attain the goals of high speed and high efficiency. At the same time, we should also proceed from the actual circumstances of the country and have priorities in building expressways in a step-by-step manner. Localities without the necessary conditions can build first-class roads first. In conclusion, we should enthusiastically develop road transportation and enable our communications and transportation services to gradually meet the needs of economic development.

FIRST PATENT CONFERENCE HELD IN BEIJING

Li Peng Addresses Meeting

OW110143 Beijing XINHUA Domestic Service in Chinese 1222 GMT 10 Dec 84

[By RENMIN RIBAO reporter Wei Yanan and XINHUA reporter Tian Chuan]

[Text] Beijing, 10 Dec (XINHUA) -- In his speech today at the first national conference on patents, Vice Premier Li Peng emphasized the necessity of providing legal protection for technological inventions which are invisible commodities.

Li Peng said: The "PRC Patent Law" adopted by the NPC Standing Committee, is the first patent law in the history of New China and an important event in the history of socialist construction. Implementation of the Patent Law can protect technological inventors' legal rights, promote the blossoming of technical progress, and arouse enthusiasm among the broad masses of scientists and technicians. The patent system set up under socialist conditions conforms to the spirit of economic structural reform.

When we acknowledge that inventions are the result of mental labor and are commodities, these commodities will have value and usefulness. They can be transformed into productive forces and cannot be appropriated without remuneration. The patent law provides protection for these invisible commodities.

Li Peng said: The progress from our recognition of intellectuals as a part of the working class to our legal acknowledgement of the result of their mental labor is a major social progress. Implementation of the patent law will help promote technological exchanges and the fostering of qualified personnel.

Li Peng discussed three criteria for testing the patent work. He said: The effectiveness of the patent work can be judged in several ways. First, we should see whether or not it will help encourage creations and inventions. Second, we should see whether or not it is conducive to the popularization of advanced technologies. Some comrades are worried that the patent law will block free access to others' inventions. This will cause some temporary inconveniences. However, it will surely help popularize new technologies in the long run, if we view the situation as a whole. This is because implementation of the patent law can break the departmental monopoly of technology known to all, and enable everyone to use technological achievements more conveniently. Third, we should see whether or not patent work is conducive to importation of advanced foreign technologies. After the patent law is put into force, it will protect imported advanced technologies and will attract more of such imports to our country.

Li Peng pointed out: The patent work is a new undertaking. Leading comrades of all departments and localities should provide all-out support to this work and gradually establish a work force for this work. He urged the patent workers in all localities to establish the notion of serving the people, strive to enhance the efficiency of patent work, and make more contributions in order to make patent work thrive.

Present at today's meeting were Zhou Peiyuan, vice chairman of the CPPCC National Committee, and leading comrades of various ministries and commissions under the State Council.

Patent Bureau Director Speaks

HK070735 Beijing ZHONGGUO XINWEN SHE in Chinese 1400 GMT 6 Dec 84

[Text] Beijing, 6 Dec (ZHONGGUO XINWEN SHE) -- Huang Kunyi, director of China's State Patent Bureau, said today: The invention of anyone who is determined to make inventions -- irrespective of the inventor's sex, age, nationality, residence, region, race, or nation -- will be protected, encouraged, and respected in accordance with the principle of mutual benefit if the inventor applies for patent rights on such an invention in China and if the application meets the requirements of China's patent law.

At the national patent work meeting which opened today, Huang Kunyi said: The core of China's patent law is to protect patent rights. Four of the provisions in Article No 69 are specially concerned with protection for inventors' rights. This has legally put an end to the time in which the fruits of invention could be seized at will. Those who seize the fruits of invention or keep them without making payment will be held responsible for indemnity and those who are involved in serious cases will be investigated and legal responsibility will be affixed.

He said that another characteristic of the patent law is dispensing rewards according to merit. Regarding monetary awards and remuneration, the patent law not only states that lump sum awards shall be given to the inventor but also states that remuneration shall be given to the inventor according to the range of application of the patented invention and the economic results thus obtained.

The amount of remuneration increases with the extension of the application and the growth of the economic results.

Huang Kunyi said that the enforcement of the patent law will create conditions for opening China's technological market. Our technological market is a market open to other countries, and foreign advanced technology will compete in this market. This is conducive to promoting the circulation of China's science and technology and to changing the situation of the country being closed to international intercourse.

Huang Kunyi stressed that China will fulfill the international duty of protecting industrial property rights. In order to import advanced technology and to sign license contracts, we must respect industrial property rights and abide by contracts. In order to make use of foreign funds to run enterprises, we must protect new technology. In order to carry out scientific and technological exchange and cooperation, we must have a way of sharing the fruits of cooperation. Mutual protection for industrial property rights is an important principle in implementing the policy of opening to the outside world.

PENG GANG REMEMBERS HER UNCLE PENG DEHUI

HK070555 Beijing RENMIN RIBAO in Chinese 26 Nov 84 p 4

[Article by Peng Gang: "In Memory of Uncle Peng Dehuai"]

[Excerpts] How time flies. It has already been 10 years since Uncle Peng Dehuai departed. During the 10 years, I do not know how many people have told me that my uncle is the hero of a tragedy. Perhaps, this is true, but he was never a weak man; he had his faith as a communist and pursued truth, and he was indomitably loyal to and gave away everything for truth. I always wonder what my uncle left to our posterity.

I

16 August 1959 was a day I will never forget. That afternoon, Lao Zhao, the driver, excitedly told me that he was going to drive to Nanyuan Airport to pick up Uncle, who was to return from Lu Shan.

It was fine that day and the plane from Lu Shan soon came and slowly landed in front of us. One after another people came out of the plane, but what made me feel strange was that they did not greet one another as they usually did, and they were all silent. I saw Uncle walk slowly wearing an old, faded Army uniform and with a small leather bag in his hand. I ran to greet him but Uncle remain silent, took my hand in his, and walked directly toward the car.

Sitting in the car, Uncle held my hand tightly, but said nothing. The air seemed frozen in the car. I looked at Uncle and then to Aunt and did not know what to do. After a long time, Uncle started to speak: "Xiao Tu (this is my childhood name), have you been admitted to a university after the examination?"

"I have been admitted to Xian Military Telecommunications Institute, my first choice," I told him with joy.

All the time on the way, Uncle did not let go of my hand. I had a premonition that something had gone wrong on Lu Shan.

As soon as we were at home, Aunt pulled me aside and with tears in her eyes and said: "Your uncle committed mistakes on Lu Shan and they said that he opposed the party...." Since that very day, our yard was enveloped by a heavy and oppressive atmosphere.

No one came to visit us and even I -- a girl who was always cheerful and liked chatting and laughing -- was very careful in walking about for fear that I would disturb some other people. All day long, Uncle sat at his table and wrote and wrote. Sometimes, he tore up what he had written and then sat perfectly still with his back toward the door. In that period, I only remember Uncle Chen Yi coming to visit him. At that time, I was going to Uncle's office and heard Uncle talking to Uncle Chen Yi as soon as I reached the door. Uncle said: "What shall I do in the future? Live on my own labor...." I turned around hastily.

Sometimes, Uncle would go out to attend meetings. I once heard him shouting angrily: "Expel me from the party and shoot me dead! Let those who were members of the 'military club' report their names themselves." A few years later, he told me time and again: "I can never admit this kind of fabricated offense. If I admitted to it, they would ask me who the members were? How many comrades would have thus been wrongly charged and how great would be the losses our party suffered. Under such circumstances, I could not destroy myself."

II

I lived with Uncle for many years. My father, Peng Ronghua was the third younger brother of Uncle and he and my second elder Uncle, Peng Jinhua, joined the party a long time ago. They both died in the revolutionary struggle. When Hunan was liberated, Comrade Wu Defeng sent people to find us and then sent me and my brothers and sisters to Beijing. As I was the youngest, I lived with Uncle until I finished my primary and middle school education. At a time when Uncle wanted the most to have me by his side, I had to leave him and go to a place a great distance away. When Uncle sat silently alone, he would count with his fingers how many days were left before I went away to the college in Xian.

Uncle was also looking at me and after thinking silently for a while, he said: "For you leaving home for a college in Xian means joining the Army and also entering society. There will be great changes in your study and life and you may meet some unexpected difficulties and setbacks. You should be mentally prepared and should never be indignant at the party because of my problem. You should not mind my problem and should have confidence in the party." At his point, Uncle added more stress to his tone and said: "The most important thing is that you should have your own firm faith. Under any circumstances, you should not waver in your faith in socialism and communism." He stopped for a while and said again: "The key is that one should have confidence in oneself. If one does not give way, no one will be able to make one give way. When you are at the college, you should make efforts to join the party."

III

When I arrived at the university, the "anti-right deviation campaign" was being carried out throughout the country. I sunk into an abyss of contradiction and distress. From childhood, I lived under the banner of the party, was as pure as clear water and adopted a pious attitude toward all documents and slogans. However, the years that I spent together with Uncle made me doubt that he would have opposed the party. As soon as summer vacation came the next year, I hurried back to Beijing to have a clear answer from Uncle regarding this doubt.

At that time, Uncle had already moved to Wujia Garden in the Beijing suburbs. When I finally found the garden and wanted to enter it, I was stopped by the guard at the door.

I said loudly, "I want to see Peng Dehuai. I am his niece." It was summer, and all the windows were open. As soon as Uncle heard my voice, he ran out of the house. He wore a T-shirt and a pair of faded old army uniform trousers. He was very happy to see me and loudly said something to me. I was suddenly stupefied to see that after less than 1 year of separation, Uncle had changed from a man with very little white hair to an old man with a full head of white hair. He seemed to be more than ten years older all at once. Because I was stupefied, I did not hear what Uncle said to me.

The second evening, we exchanged our views directly. After saying a few words, Uncle took something from his drawer, handed it to me and said: "You can read this letter that I wrote to Chairman Mao." Then he lit a cigarette and waited for me to read over it.

This was the first time I saw "Peng Dehuai's letter of opinions." The letter consisted of only a few pages of thin paper.

When I had read it, Uncle began to talk: "I wrote this after making investigation and study and had grounds to support it. I have visited rural areas on purpose. The practice of 'fighting large formation warfare' and 'deep ploughing' entirely failed to take into consideration the actual conditions. The establishment of many canteens are entirely unsuited to the fuel conditions and customs in China's rural areas.... Some strange slogans have been put forth such as 'The land will yield as much as what people are bold enough to obtain.' This is impossible. We cannot achieve a thing without conditions. One is not a materialist if one disregards conditions."

Uncle lit another cigarette. Before the Lu Shan meeting, he seldom smoked. According to his words: "This is a bad habit that Lu Shan meeting has brought to me. When I was attending the meeting at Lu Shan, two packets of cigarettes were not enough for me."

Until late in the night, Uncle expounded on his views, sometimes deeply and calmly and sometimes excitedly, and gave a detailed narration of the entire process that he wrote and handed in in the letter. At last, I was clear that that letter was the outcome of Uncle's profound thinking and that even if he had not written the letter when he went to Lu Shan, he would have written it after the Lu Shan meeting.

As Uncle talked on, his talking became slower and his thick brows were locked. Was he not clear that it was precisely because of this letter that his exciting life as a fighter was suddenly interrupted and he had to waste his valuable time in lonely Wujia Garden? However, he had not changed his views. What was he in pursuit of since he was already over sixty?

I could not help but say to Uncle: "You did your work as a defense minister and why did you bother yourself with economic problems?"

At my words, Uncle sharply raised his head, all the wrinkles quivering on his face, and he said: "How can I not be concerned with them? I am a party member and a member of the Political Bureau. How can I be regarded as a party member when I see major problems relating to national plans and the people's livelihood but fail to put them forth?!"

Uncle was greatly agitated and said: "I have to be responsible for the people. I did not consider as much as you did. When I find something wrong, I speak out no matter what kind of problems they are. Only this is the attitude of masters of our country. I should not think about my personal gains and losses. A Communist Party member must know his own duties. He should fear neither dismissal, nor divorce, nor being expelled from the party, being imprisoned, or being beheaded. What do I fear since I do not even fear death?"

"Since I joined the revolution, I have devoted myself to the party and people and I do not belong only to myself. Do you not want to become a Communist Party member as well? It not easy to become a genuine member of the Communist Party...."

IV

During the 10 years of turmoil, Uncle suffered cruel persecution. After the CPC Central Committee rehabilitated Uncle, I read some notes which recorded how Uncle bravely and justly fought back when he was under "special-case examination." For one instance, when they forced Uncle to confess, Uncle struck the table in anger and said "I have nothing to say even if you behead me!" "I do not want to write, I fear nothing and I want to adhere to truth." The notes say that Uncle "often sang in a low voice the 'Internationale': Unite till tomorrow and the Internationale will surely be realized."

Another series of notes were written in April 1960, which goes as follows: "Since the 'Ninth CPC National Congress,' four times has he read the news communique of the Secretariat of the 'Ninth CPC National Congress' and the list of the Presidium and counted with his fingers...and shed tears." On the evening of the closing of the "Ninth CPC National Congress," "he was in a somewhat abnormal mood, shed tears at 0200, tossed about in his bed and did not fall asleep all night." "When he read the news communique, he mainly read the list of Central Committee members. He pointed at the names while reading and kept shaking his head and sighing."

This shows that Uncle was burning with anxiety at the destruction suffered by the party cause! Though he was in prison, he was still always worrying about the motherland's construction. In front of me, there was a letter that Uncle wrote to Premier Zhou when he was imprisoned in Beijing.

"...I remember that when I inspected an asbestos plant (which was 20 km away from Aashunchang) last April, I found that the plant stored a large amount of slag by the southern bank of the Datu He and did not utilize it. Quite a lot of the slag had been washed away. This kind of slag contains lots of calcium, magnesium, phosphorus and other minerals. It can be processed into calcium, magnesium phosphate fertilizer, which is a good base fertilizer for crops.... I reported this to Comrade Cheng Zihua and the southeast bureau of the CPC Central Committee and they all have attached importance to it. At that time the matter was handed over to Sichuan Province. It may be laid aside. I should not bother you for this small matter, but I do not know who to approach and I hope that you will excuse me. I wish you good health forever!"

Shi Chuan on the evening of 24 April 1967

"Shi Chuan" was uncle's alias. As soon as I saw this name, scenes of a past incident rose before my eyes.

On National Day in 1965, I wrote a letter of application of party membership. Uncle was very happy after he corrected the letter for me himself. He insisted that I had to hand it in to the party organization immediately and personally saw me off at the station.

On the way, Uncle suddenly asked me: "Do you know why I have used the alias 'Shi Chuan?'" He told me that at the time when he left home to seek truth in his early years, one day it rained when he was out and he had to take shelter in a cave. He saw in the cave that there were deep holes in the rocks under his feet which were drilled by the water that had dripped from the ceiling of the cave for many years.

He was moved by the scene, therefore, he said, "I gave myself an alias 'Shi Chuan' [which means rock drilling] in order to stimulate myself." I saw what Uncle meant -- in our life, we should strive to make progress as indomitably as dripping water drilling holes in rock.

V

On 29 November 1974, Uncle finally left us forever. When I received the notice, I hurried to visit him, but was too late. His request for having me by his side until he died was rejected.

As I write this, my hand shakes. Uncle, you never had any misgivings toward death in this world. I clearly remember that at one nightfall in the 1950's you took me along for a walk in Zhongnanhai. You gazed at the ripples of the blue water of the lake and said with deep feeling: "When we recall our comrades-in-arms who have sacrificed their lives, we should do our work well. We should leave nothing but a clear personal record. By so doing, we will not let down our comrades-in-arms who are sleeping forever."

I kept saying by his side: "What are you thinking of, Uncle?"

Uncle smiled and said: "Entrust to you one thing. When I am dead, put my ashes into a bottle gourd and put the gourd into the sea. Thus you will let me drift across the oceans to see the people on the five continents. Because I am busy in my lifetime, I cannot visit many places...."

Uncle, I cannot forget your gnawing regret at your death bed. On 23 October 1974, I and cousin Kang Bai came to your sickbed. At that time, the torment you had undergone made you suffer from hemiplegia. You suddenly tightly grasped my hand with your right hand which was the only limb you could move, and said to us: "It seems I will not be able to recover. When I die, do not bury my ashes along with your fathers'! Your fathers were glorious martyrs, but I...I fear I will sully them...." Tears ran down Uncle's face when he said that.

Uncle, how nice if you could have lived 4 years longer! In December 1978, the 3d Plenary Session of the 11th CPC Central Committee rehabilitated you. When I heard the news, I was all tears. The words that Uncle said in Wujia Garden were ringing in my ears: "History is just and the people are just. They will make a correct conclusion for me."

Uncle, what I can tell you today is that I have already become a Communist Party member. As a citizen of the People's Republic, I am working hard for the modernization of the motherland. Dear Uncle, let's wish that our motherland becomes prosperous.

MA WENRUI'S PREFACE TO WORK ON INVESTIGATION

HK070707 Xian SHAANXI RIBAO in Chinese 21 Nov 84 p 3

[Article by Ma Wenrui: "Raise Investigation and Study to a New Level -- Preface to 'Concept of Investigation and Study'"]

[Text] "Devising strategies within the confines of a tent can assure victory in operations 1,000 li away." This was the praise reserved for farsighted outstanding figures in ancient times. In fact, it is only we Communists who could have really achieved this. This is because we Communists represent the most advanced and most revolutionary class in the history of mankind -- the proletarian vanguard.

Proletarian characteristics dictate our being able to not only understand the objective laws of social development but also understand the correct way of discovering such laws. We can count on the scientific work method of investigation and study that embodies the Marxist line of understanding.

Our party has traditionally set store by and advocated investigation and study, and insisted on basing everything on reality, linking theory with practice, seeking truth from facts, and testing and developing truths in practice. In the process of guiding the Chinese cause of revolution and construction, the CPC, represented mainly by Comrade Mao Zedong, has closely linked investigation and study with the effort to understand the national conditions of China and to solve the actual problems in the Chinese revolution, enabling this to become the central link in combining Marxist universal truth with the concrete practice of the Chinese revolution and thus creatively developing Marxism-Leninism and forming brilliant Mao Zedong Thought. To persist in investigation and study is to uphold materialism and dialectics. This is the Chinese communists' fundamental work method and is the only correct attitude that we should adopt in studying and solving any problem. "No investigation, no right to speak." "No proper investigation, also no right to speak." This famous dictum by Comrade Mao Zedong is still shining with radiance. Comrade Mao Zedong's theory and method on investigation and study and cherished heritages that he left us.

Our country is in a great historical period of change. The main theme of this historical period calls for building socialism with Chinese characteristics. To create something great, forceful, and beautiful based on this these calls for penetrating investigation and study, and for systematically grasping national conditions. Only in this way can we achieve the aim of proceeding from realities and linking Marxist universal truth with concrete practice under our current historical conditions. Those comrades involved with local work must also strengthen the investigation and study of provincial, city, and county conditions. Only in this way can they creatively implement the CPC Central Committee's line, principles, and policies in light of local characteristics, and put the great cause of building socialism with Chinese characteristics on a solid basis in pushing it forward. At present, various fronts are creating a new situation in socialist modernization. The situation is fast changing. The reform effort is in its initial stage. New conditions and new problems keep surfacing. New things and new experiences greet us everywhere. They call for investigation and study and for solution, summation, and efforts at creating the new. This imposes new and still more exacting demands on investigation and study. Since the 3d Plenary Session of the 11th CPC Central Committee, the CPC Central Committee has repeatedly stressed the great significance of strengthening investigation and study in the new historical period. Central leading comrades have constantly got deeply involved with various areas to make investigation and study to be further carried forward and developed. This is the CPC Central Committee's new development of Comrade Mao Zedong's theory and practice on investigation and study under new historical conditions.

It should be noted that some of our comrades still do not have an adequate understanding of the importance of investigation and study. They fail to really treat investigation and study as the first step in all work. More than 40 years ago, the CPC Central Committee criticized the practice of "doing things in a slipshod manner, not seeking an understanding of things, considering oneself always in the right and going in for formalism." Comrade Mao Zedong also once pointed to the practice of "a blind man groping for fish" and of "hunting for sparrows blindfolded."

This has been found to still exist, to different degrees, in some comrades. Some other comrades have regarded investigation and study as nothing but a concrete work method. This shows a lack of overall understanding. Investigation and study of course plays the role of a concrete method. But it is not just a concrete work method. It must be realized that investigation and study is the concrete application of the Marxist theory of knowledge in actual work, is a vivid embodiment of the party's ideological line of seeking truth from facts, and is fundamental work of top importance in doing everything. Therefore, to persist in making investigations and study is actually a question of upholding the party's ideological line and is a question of upholding the Marxist world outlook and methodology. Only by viewing things from such a high plane can we raise our consciousness in making investigations and study.

How can we raise the level of investigation and study? This calls for many-sided efforts. But most important of all, we must study and grasp the Marxist theory of knowledge, insist on seeking truth from facts, and develop the revolutionary spirit of being bold in making reforms and creating the new. Investigation and study is the science of exploring unknown areas in line with the Marxist theory of knowledge, and it has its own laws. The practice of just making a few rounds at the lower levels and going through the motions of looking around, listening, and asking questions cannot be regarded as scientific investigation and study. Science is a no-nonsense branch of learning. Only by putting in great efforts can we grasp it. This requires us to seriously study the Marxist theory of knowledge and to grasp the laws of investigation and study and apply them in practice. At present, given the emphasis on the proper handling of two important matters -- the reform of systems and the opening up of the country to the world -- and on accelerating the process of socialist modernization, the business of investigation and study provides an infinitely vast world that gives full scope to our abilities. Experience has repeatedly shown that anyone who insists on making investigation and study can understand actual conditions, keep in step with the CPC Central Committee, and share the thoughts of the masses, and can have the courage to emancipate the mind and break away from all economic patterns and conventions hindering the development of productivity, and the courage to make reforms and create the new. Anyone who makes investigation and study can link the spirit of central instructions with the actual conditions of a given area or unit and break away from the general leadership to achieve the aim of proceeding from realities, taking local characteristics into consideration, doing work creatively, solving problems effectively, and making new breakthroughs in work rapidly. Therefore, I hope that every one of us will accept the challenge of competing in investigation and study and see who can be good at grasping and applying the Marxist theory of knowledge, good at studying and solving new problems, and good at creating the new and blazing trails in moving ahead, and thus make still greater contributions toward the realization of the party's main task and main goal.

The booklet "Concept of Investigation and Study," written by the comrades of the research office of the Shaanxi Provincial CPC Committee, provides a useful exploration of investigation and study as a science. They have created something good. Apart from devoting much space to the importance of investigation and study and insisting on proper investigation as a fundamental demand, they have provided relatively detailed information about methods of investigation, the selection of targets for investigation, the organization of leadership, the application of results, the writing of investigative reports, the training of investigators, and so forth. The work pays attention to explaining things theoretically and also seeks to reflect certain actual experiences in recent years of investigation and study. It pays attention to the systematic nature of the whole work and also gives prominence to main points.

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This is helpful to the masses of cadres in raising the level of investigation and study, grasping Marxist thought and work methods, and creatively handling various tasks well. Therefore, I recommend this book to everyone. I trust that with an increasingly improved level of investigation and study, the scientific theory of investigation and study will be continuously enriched and developed.

ANHUI'S HUANG HUANG MEETS CPPCC VISITING GROUP

OW101115 Hefei Anhui Provincial Service in Mandarin 1100 GMT 9 Dec 84

[Text] According to ANHUI RIBAO, a 7-member inspection group of the CPPCC National Committee arrived in our province on 27 November to appraise the results of reform in higher education in Anhui. Tao Dayong, member of the Standing Committee of the CPPCC National Committee and vice chairman of the Central Committee of the China Democratic League, was head, and Xiang Ziming, member of the CPPCC National Committee, deputy head of the group.

While in Hefei, members of the group had a discussion meeting with the Education Section of the Anhui CPPCC Provincial Committee and visited the China University of Science and Technology and the Hefei Associate University to be briefed by responsible comrades of these two schools on reforms conducted there. At the China University of Science and Technology, they discussed and exchanged ideas with associate professor Wen Yuankai on problems in reform at institutes of higher learning, happily met with students of youth class [shao nian ban], and inspected student dormitories and mess halls. Some members of the group toured (Changging) Town in Hefei's suburbs.

Huang Huang, Yuan Zhen, Zhang Kaifan, (Liu Zhentian), Sun Zongrong, Li Qingquan, and Zheng Jiaqi of the Anhui Provincial CPC Committee, the Anhui Provincial Government, and the Anhui Provincial CPPCC Committee met with all members of the inspection group. Tao Dayong and his party have left Hefei for Beijing.

XI ZHONGXUN MEETS BLIND, DEAF-MUTE DELEGATES

OW102208 Beijing XINHUA Domestic Service in Chinese 1158 GMT 10 Dec 84

[Text] Beijing, 10 Dec (XINHUA) -- This afternoon, in the Great Hall of the People, Xi Zhongxun, Song Renqiong, Wang Shoudao, Cheng Zihua, and other leading comrades met with all delegates to the Fourth National Congress of Blind and Deaf-Mutes in China. The leading comrades also posed with them for a group photograph.

DENG LIQUN AT ENTERPRISE COMMENDATION MEETING

OW110451 Beijing XINHUA Domestic Service in Chinese 1523 GMT 10 Dec 84

[Text] Beijing, 10 Dec (XINHUA) -- At the recommendation of the Research Society of Ideological and Political Work Among China's Workers and Staff Members, the Propaganda Department of the CPC Central Committee, the State Economic Commission, and the All-China Federation of Trade Unions today named and commended the Daqing Petroleum Administration Bureau, the Shoudu Iron and Steel Company, and the Diyi Motor Vehicle Manufacturing Plant as "1984 Outstanding Enterprises in Ideological and Political Work." Also commended were the Tianjin Soda Plant and 28 other enterprises which have done outstanding ideological and political work.

The awards were made at the closing ceremony of the first annual meeting of the Research Society of Ideological and Political Work Among China's Workers and Staff Members.

Deng Liqun, Yuan Daohua, Gu Dachun, and other comrades attended the meeting; respectively representing the Propaganda Department of the CPC Central Committee, the State Economic Commission, and the All-China Federation of Trade Unions, they awarded certificates of merit to the three commended enterprises and delivered warm speeches. Zeng Zhi, adviser to the Research Society of Ideological and Political Work Among China's Workers and Staff Members, also attended and spoke at the meeting.

The common features characterizing the 32 outstanding enterprises commended for having done a good job in ideological and political work are that they have constantly strengthened and improved ideological and political work among the workers and staff members in line with the party's general tasks and objectives; they have closely combined ideological and political work with economic construction and economic reform; and they have taken on the building of two civilizations at the same time, obtaining outstanding or relatively good results and creating excellent conditions.

At today's awards ceremony, the "Decision on Commending 1984 Outstanding Enterprises in Ideological and Political Work" by the Propaganda Department of the CPC Central Committee, the State Economic Commission, and the All-China Federation of Trade Unions was read. The "Decision" reads: It is hoped that these outstanding enterprises, along with all other enterprises in the country, will continue to seriously study and strive to implement the spirit of the 3d Plenary Session of the 12th CPC Central Committee, further emancipate their minds, be inspired with enthusiasm, desire reform, strive to create a new situation in ideological and political work in order to better serve the economic structural reform with the focus on the urban economy, to serve the realization of the general objective of quadrupling the total annual output value of industry and agriculture by the end of this century, and to serve socialist modernization construction, making new achievements and contributions.

The Research Society of Ideological and Political Work Among China's Workers and Staff Members also decided today to award "1984 Work Prizes" to the Research Society of Ideological and Political Work under the Economic Commission of Shanghai Municipality and the Research Society of Ideological and Political Work Among China's Textile Workers and Staff Members.

SONG RENQIONG, OTHERS MARK MAGAZINE ANNIVERSARY

OW081254 Beijing XINHUA Domestic Service in Chinese 1234 GMT 7 Dec 84

[By reporter Yang Jianye]

[Excerpts] Beijing, 7 Dec (XINHUA) -- Over 500 educators, publishers, and journalists and representatives of middle school students and their parents in Beijing were invited to attend a gathering at the Beijing Hotel this afternoon to celebrate the 55th anniversary of ZHONGXUESHENG [MIDDLE SCHOOL STUDENT], a magazine for middle school students.

To congratulate ZHONGXUESHENG on its 55th birthday, Song Renqiong wrote an article encouraging all middle school students in China to study hard to promote the four modernizations, and wishing them a healthy growth. Zhang Aiping wrote a poem: "Rugged and rough are the roads, but you must travel far and wide. Learn and master some real skills so you can be worthy successors." In her congratulatory letter, Kang Keqing said: "May ZHONGXUESHENG magazine continue to develop the style of strictness, simplicity, and efficiency, supplying the vast numbers of middle school students with rich nourishment for the mind and making contributions for the physical and mental health of the new generation."

ANHUI HOLDS DISCIPLINE INSPECTION WORK MEETING

OW080604 Hefei Anhui Provincial Service in Mandarin 1100 GMT 7 Dec 84

[Excerpts] The Anhui Provincial Discipline Inspection Committee held a provincial discipline inspection work meeting from 28 November to 3 December. The meeting pointed out: Developing a correct party style and observing strict party discipline to guarantee the successful reform of the economic structure are the guiding thoughts for discipline inspection work in the days ahead. After affirming the present excellent situation in reforms, the meeting also pointed out some new unhealthy trends which were brewing:

1. Some units still fail to overcome and correct unhealthy trends of power abuse to seek personal gains, of serious bureaucratism, and of fraud. Some seek private gain at public expense, distribute effects in kind at will, and secretly dole out state property. Some use their authority to do business and steal and sell goods and materials in short supply to seek staggering profits. Some still display their bad bureaucratic habit, which continues to cause serious economic losses to the state.
2. Irresponsibly apportioning duties and imposing fines are common at some grassroots units and in rural areas. Some willfully ask enterprises and other units for money under the pretense of seeking support. Some willfully ask peasants to contribute money to as many as 20 to 30 projects, thus increasing the peasants' burden. Some extort money from specialized households and infringe upon their interests.
3. The trend of entertaining at public expense is developing and becoming rampant. In some places more and more luxurious dinner parties are hosted.

The meeting also called for party committees and discipline inspection committees at all levels to continue grasping well the struggle against serious economic criminal activities and to boycott actively and effectively all kinds of ideas that exploit classes to prevent them from contaminating the body of our party.

NANJING PLA UNITS PROMOTE INTELLECTUALS

OW090032 Beijing Domestic Service in Mandarin 0900 GMT 8 Dec 84

[Text] According to a JIEFANGJUN BAO report, in the course party rectification, the CPC Committee of the Logistics Department of the Nanjing Military Region has boldly promoted and made use of intellectuals, enabling them to fully bring out their talents. Presently, 311 intellectuals with both ability and political integrity have been promoted to leading posts at various levels.

In readjusting the leading bodies of divisions and regiments, and in assigning third echelons, the CPC Committee of the Logistics Department carefully looked into the backgrounds of intellectuals and listed them according to their performance and merits. Outstanding intellectuals were given priority for promotion. Those with distinguished performance were promoted more than one grade at a time. The CPC Committee has promoted 35 college-educated cadres and assigned them to the general hospital of the Nanjing Military Region, and has selected 39 intellectuals to assume leading posts of administrative offices. This has changed the average age and educational level of members of the various leading bodies and sped up work in all fields.

The CPC Committee has also paid attention to educating and using women intellectuals. It has promoted 39 women intellectuals with good backgrounds and qualifications to assume leading posts at or above the regiment level.

While making efforts to promote middle-aged and young intellectuals, the CPC Committee of the Logistics Department also paid attention to providing appropriate assistance to old intellectuals to enable them to have sufficient time and energy to sum up and pass on their experience and serve as a ship of knowledge.

For those intellectuals who have been promoted to leading posts, CPC Committees at all levels of the Logistics Department have provided them with necessary help. Since (Chen Wenyu,) a 1963 college graduate working at a certain hospital, has been promoted to section chief, he has been very enthusiastic in his work. But, due to his inexperience, he was rather passive at the beginning. Leaders at the hospital, while encouraging him to boldly carry out his work, assisted him in acquiring all the necessary knowledge of leadership and helped him create a new situation in his work in a short time.

HAN PEIXIN SUPPORTS JIANGSU CHILDREN'S FUND

OW091236 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 8 Dec 84

[Excerpts] Since its founding on 20 November, the Jiangsu Provincial Children's Welfare Fund has received care and support from the provincial CPC Committee, the provincial government, various departments concerned and warm-hearted people in society.

While making a donation, Han Peixin, secretary of the provincial CPC Committee, also sent a letter to the institute expressing his support for its fund-raising activities as well as its various projects for the welfare of young people. Governor Gu Xiulian has regularly inquired about the institute's work and has urged leading members of the General Office of the provincial government to mobilize the staff of various provincial organizations to raise fund for the institute.

In addition to donating 5,000 yuan to the institute, Vice Governor Chang Xuwu has also expressed his concern for its various children's welfare projects. He has also called two meetings to hear reports about the institute, and has rendered assistance by approving the location and the staffing of the institute. Upon learning of the establishment of the provincial Children's Welfare Fund, the Nanjing Military Region immediately donated 50,000 yuan to the institute and organized its drama group to stage performances to raise funds for the institute.

JIANGXI MILITARY DISTRICT RECRUITS INTELLECTUALS

OW071128 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 6 Dec 84

[Excerpts] Party organizations at all levels of the Jiangxi Provincial Military District have conscientiously eliminated leftist influence and made great efforts to recruit party members from among intellectuals. As of late November, 361 comrades who are college graduates had been admitted to the Communist Party of China, accounting for 94 percent of the district's total number of college graduates.

Presently, most of the college-educated intellectuals of the provincial Military District are working in hospitals and other organs. Many of them repeatedly applied for party membership, but, because of the leftist influence, their application had not been accepted. After the 3d Plenary Session of the 11th CPC Central Committee, these comrades' application for party membership had continued to pour into various party organizations. The provincial Military District CPC Committee gave timely instructions to CPC committees in all units under it, asking them not to lower acceptance standards nor be overcritical in handling intellectuals' application for party membership. It asked these CPC committees to admit promptly into the party those who possessed all requirements for party membership.

The provincial Military District CPC Committee emphatically pointed out: In recruiting party members from among intellectuals, some people's prejudice should not be used as a yardstick for judging a person. It is necessary to judge a comrade from all angles and from his quality and the major things he has done. One should never regard a man's personality as his weakness and keep picking on him.

SHANDONG COOPERATES WITH ASTRONAUTICS MINISTRY

SK070433 Jinan Shandong Provincial Service in Mandarin 2300 GMT 6 Dec 84

[Text] Led by Vice Minister Cheng Lianchang, 182 engineering and technical personnel of the 19 departments under the Ministry of Astronautics arrived in our province recently to hold discussions on economic and technical cooperation with counterpart departments of our province. The first meeting opened on 6 December. Technical cooperation involving 308 projects will be discussed during the meeting.

Since July, at the invitation of our province, the Ministry of Astronautics has sent two fact-finding groups to our province in order to make the economic and technical cooperation a real success. At the meeting's opening ceremony, Ma Shizhong, vice governor of the province, expressed gratitude to the Ministry of Astronautics for its support to our province with its superior technology. Cheng Lianchang, vice minister of the Ministry of Astronautics, said: Our achievements and technology should be attributed to the state. It is our bounden duty to serve the economic construction. We are determined to implement the principle of cooperation between the Army and the people and cooperate with Shandong successfully on the basis of the principle of mutual benefit.

SU YIRAN, RAO SHOUKUN VISIT SHANDONG EXHIBITION

SK100514 Jinan Shandong Provincial Service in Mandarin 2300 GMT 9 Dec 84

[Text] Over the past few days, Rao Shoukun, commander, and Chen Renhong, political commissar of the Jinan Military Region; Su Yiran, secretary of the Shandong Provincial CPC Committee; Lu Hong, vice governor of Shandong Province; and leading comrades of the provincial CPC Committee and government, as well as some 400 delegates to the meeting sponsored by the Jinan Military Region to exchange experience in the work of studying scientific and general knowledge and training competent personnel for military and civilian service visited, in groups, an exhibition on achievements attained in this work held by the Jinan Military Region. On display were a total of 1,237 articles, including TV sets, recorders, console radio sets, speakers, electronic musical instruments, paintings, calligraphy samples, sculptures, and new clothes, as well as such daily necessities as pastry, wines, and cuisine. Also on display were renovated products for military use, such as a modern control tower, model helicopters, and [word indistinct]. These products were designed, renovated, and made by cadres and soldiers of the Jinan Military Region, which encouraged study of scientific and general knowledge and training of personnel competent in both military and civilian service. Some of these products have entered international markets, and some renovated products have won scientific and technical achievement awards given by the headquarters [zhong bu], the military region, and departments concerned, and were highly praised by visitors.

SHANGHAI'S HU LIJIAO CHAIRS CADRES MEETING

OW100925 Shanghai City Service in Mandarin 2300 GMT 9 Dec 84

[Text] The Shanghai Municipal CPC Committee held a meeting of responsible cadres who are party members on 8 December to draw up plans for work at present and in the future. Hu Lijiao, second secretary of the Shanghai Municipal CPC Committee, presided over the meeting.

(Hu Fushan), head of the Shanghai liaison group of the Central Commission for Guiding Party Rectification, was present at the meeting.

Yang Di, secretary of the Shanghai Municipal CPC Committee, presented his views on studying well the decision of the 3d Plenary Session of the 12th CPC Central Committee, firmly grasping reforms, and grasping party rectification well. He said: Our work at present and in the future should use the study of the decision of the 3d Plenary Session of the 12th CPC Central Committee and party rectification as a motive force, speed up reform of the economic structure as a whole with the cities as the focal points, grasp well the open-door policy, the two transformations, and the two developments and promote the development of all work. The open-door policy means opening to the outside world at home and abroad; the two transformations are technical transformation and transformation in urban construction; and the two developments are the development of qualified personnel and the development of tertiary industry.

In drawing plans for party rectification, Yang Di emphatically pointed out: Party committees at all levels must pay attention to and curb the unhealthy trends that may arise in the new situation. He pointed out seven things which are absolutely banned. [no further details]

SHANGHAI ADOPTS SPECIAL ECONOMIC POLICIES

HK070254 Beijing ZHONGGUO XINWEN SHE in Chinese 1530 GMT 6 Dec 84

[Report: "Shanghai Adopts Some Special Policies Similar to Those Applied in the SEZ"]

[Text] Shanghai, 6 Dec (ZHONGGUO XINWEN SHE) -- Lu Guoliang, director of the Shanghai Municipal Foreign Economic Relations and Trade Commission, today announced to 150 foreign enterprise representatives, Chinese-foreign joint venture representatives, and commercial consuls of foreign consulates in Shanghai: Shanghai will enlarge the scope of drawing foreign funds and introducing advanced technology and management techniques, and will carry out extensive cooperation with all overseas investors in economic, trade, financial, technological, and consultative circles who are willing to invest in Shanghai. For this reason, Shanghai will provide preferential treatment and favorable conditions in various fields for overseas investors and will adopt some special policies similar to those that have been put into practice in the special economic zones.

-- For Chinese-foreign joint ventures, enterprises based on cooperative management, and enterprises exclusively based on foreign capital, which are engaged in manufacturing industries and in technology or information intensive projects in Shanghai or which invest \$30 million or more or which are involved in projects that require a longer capital turnover period, upon the approval of the Finance Ministry, the enterprise income tax rate may be reduced to 15 percent.

-- Equipment required for production and management, construction equipment, raw materials, spare parts, components, and packing materials required for the production of export goods, the means of transport, and office equipment for an enterprises own use imported by enterprises of the type mentioned above, as well as furniture, means of transport (which is limited to a reasonable quantity), and other articles for household use imported by foreign businessmen and overseas staff, are exempted from customs duties and industrial and commercial consolidated taxes on imports.

-- Products for export produced by enterprises of this type (not including export goods subject to state restraints) are exempted from export customs duties and industrial and commercial consolidated taxes on industrial goods.

-- If foreign investors in these enterprises offer advanced technology or equipment, their products are allowed to be sold in China's domestic markets in a prescribed proportion as long as these products are indeed in demand or can substitute for imported goods.

-- The Shanghai Municipal Government has formally decided that joint ventures and foreign enterprises have the right to advertise for, select, and hire staff and workers on their own and that the pay scales, wage forms, and systems of rewards and allowances are to be decided by the boards of directors of these enterprises.

-- The part of products of Chinese-foreign joint ventures which is allowed to be sold on domestic markets can be sold on the basis of a foreign currency at a price coinciding with that on international markets. Net profits gained by foreign investors in joint ventures, cooperation enterprises, and foreign enterprises are allowed to be entirely remitted abroad. Wage income of foreign staff and workers can also be entirely remitted abroad after their expenses in China are deducted.

WANG DAOHAN HEADS SHANGHAI ECONOMIC REFORM GROUP

OW072108 Shanghai City Service in Mandarin 2300 GMT 6 Dec 84

[Text] To strengthen leadership over Shanghai Municipality's work in reforming the municipality's economic structure, the municipal People's Government decided to establish a leading group for reform of the municipality's economic structure. Wang Daohan was appointed head of the leading group. Ruan Chongwu, Huang Ju, and Zhu Zongbao were appointed deputy heads. (Kai Xuemin) was appointed director of the office set up under the leading group.

WANG FANG SPEAKS AT ZHEJIANG CPC PLENARY SESSION

OW100436 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 9 Dec 84

[Excerpts] The enlarged meeting of the Second Plenary Session of the Seventh Zhejiang Provincial CPC Committee, centering on intensive study of the decision of the Central Committee of the Communist Party of China on Reform of the Economic Structure, began on 5 December.

At the 6 December meeting, Comrade Wang Fang made a long speech on further emancipating the mind, unifying understanding, and advancing Zhejiang Province's urban economic reform. Comrade Wang Fang pointed out that the speedy development of Zhejiang Province's economy in 1984 surpasses people's expectations. It is expected that the province's total annual industrial and agricultural output value this year will exceed 48 billion yuan, or 17 percent more than in 1983. Ever since the 3d Plenary Session of the 11th CPC Central Committee, Zhejiang Province's total industrial and agricultural output value has increased by 3 to 4 billion yuan annually, with this year's increase of over 7 billion yuan. We can say that we have embarked into a new development period. The fundamental cause is that reform has brought new vitality to the economy.

Comrade Wang Fang said: The key to enlivening the economy is first to enliven the minds of the leading cadres at all levels. To further emancipate the mind, we must first smash the following outdated ideas:

1. Do away with the traditional idea of pitting planned economy against commodity economy.
2. Do not label all things that we do not like as capitalist.

3. Do away with the idea that stabilizing commodity prices is tantamount to freezing all prices, and remove unnecessary doubts about reforming the price system.
4. Do away with the old idea that competition is solely a special characteristic of capitalism, and encourage socialist competition.
5. Do away with the idea that enterprises are appendages of the administrative organs.
6. Do away with the idea that socialist society must build a sole economic form of public ownership, and establish the idea that, in the socialist historical period, it is necessary to adhere to a multi-economic form.
7. Do away with the outdated idea of isolationism and consciously implement the policy of opening to the outside world.
8. Do away with worn out ideas in hiring staff and boldly use talents who can create a new situation.

Comrade Wang Fang concluded: Reform is a creative work and calls for the initiative of all leaders. We can get nowhere by sleeping on the 17,000-character decision. We must hold ourselves responsible to the higher authorities, to the people, and do practical work. We must be bold enough to explore what has not been instructed by the upper authorities. We must not fastidiously find fault with mistakes in work in the course of reform. What we must do is to promptly correct mistakes in work.

WANG FANG VISITS ZHEJIANG TV EDUCATION EXHIBIT

OW100859 Hangzhou ZHEJIANG RIBAO in Chinese 9 Nov 84 p 1

[Dispatch by Li Boliang]

[Excerpts] On the morning of 28 November, Wang Fang, secretary of the Zhejiang Provincial CPC Committee, arrived at the exhibition hall on the fifth floor of the Zhejiang Television University Building to view an exhibition of achievements in television education. He called for further strengthening radio and television education and training more qualified personnel for the four modernizations. He said: To meet the needs of the rapid development of village and town enterprises in Zhejiang Province, it is necessary to extend television education to the rural areas and to the offshore islands in order to train qualified personnel for rural areas and village and town enterprises.

Responsible comrades of the provincial CPC Committee and the provincial People's Government Chen Fawen, Luo Dong, Tie Ying, Liu Dan, Liu Zuzheng, Shang Jingcai, Li Debao, Wang Jiayang, and Qiu Qinghua also separately visited the exhibition after its opening.

GUANGXI ANNOUNCES REGULATIONS ON OPEN POLICY

HK100615 Nanning Guangxi Regional Service in Mandarin 1130 GMT 6 Dec 84

[Excerpts] Yesterday morning the Nanning City CPC Committee and People's Government held a press conference to announce two regulations on the open policy and gave a briefing on how Nanning City is implementing the spirit of the 3d Plenary Session of the 12th CPC Central Committee, reforming urban economic structure, and carrying out urban construction at present.

Correspondents dispatched by central journalistic units to Guangxi and correspondents of all journalistic units of the region and city were invited to attend the conference, totaling 20-odd people. The conference was presided over by (Zhou Mingmin), deputy secretary of the Nanning City CPC Committee.

At the conference, (Gan Xiangwang), deputy secretary of the city CPC Committee and Nanning City mayor, announced regulations of the city People's Government on trial implementation of preferential policies in the use of foreign funds and on preferential methods of the Nanning City People's Government toward business operations run by people from other provinces and areas. (Gan Xiangwang) gave an explanation, saying: The promulgation and implementation of the regulations and methods are concrete measures taken by the city CPC Committee and government to resolutely carry out the central leadership's policy of opening to the outside world and enlivening domestic economy and to speed up the construction for socialist modernization in the region. The general guiding idea is: Open Nanning's door and speed up construction. At the conference, correspondents raised some opinions and proposals on various kinds of work in Nanning. The leaders of the city CPC Committee and government answered various questions raised by correspondents.

HENAN CIRCULAR ON PARTY RECTIFICATION EXPERIENCE

HK110305 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 10 Dec 84

[Text] According to HENAN RIBAO, the provincial Discipline Inspection Commission issued a circular on 8 December demanding that CPC committees and discipline inspection departments seriously organize the party members and cadres to study and implement the notice of the Central Discipline Inspection Commission recommending to the whole country the experiences of the Henan Provincial Foreign Economic Relations and Trade Department in party rectification, and ensure that these experiences blossom and bear fruit in the province.

The circular points out: The experiences of the provincial Foreign Economic Relations and Trade Department are of universal significance. In the current party rectification and reform, all units must in connection with reality, seriously refer to the experiences of this department in integrating investigation and handling of cases with rectifying the leadership group and integrating the correction of party style with reform. They must get a good grasp of rectifying the leadership groups, resolutely correct malpractices of using power for private purposes and of serious bureaucratism, properly solve the existing problems, set high standards in fulfilling the party rectification task, and promote reform of the economic structure and economic construction.

The circular cites new unhealthy trends that have emerged in the new situation. For instance, some organ cadres engage in business and speculation to reap vast profits. Some people arbitrarily hike prices, disrupting the markets and harming the interests of the state and the consumers.

Some engaged in shock upgrading of personnel, disrupting the reform of the salary system in the state organs, enterprises, and undertakings. Some work in a superficial way and resort to deception and boasting, to deceive their superiors and delude their subordinates. Others have made a habit of enriching themselves, violating financial and economic discipline, and so on.

The circular stresses: We must resolutely put a stop to these unhealthy trends and seriously investigate and deal with all violations of discipline, to ensure the smooth progress of reform of the economic structure.

HUNAN MILITARY DISTRICT HOLDS ENLARGED SESSION

HK110626 Changsha Hunan Provincial Service in Mandarin 2300 GMT 10 Dec 84

[Text] The Eighth Enlarged Session of the Eighth CPC Committee of the Hunan Provincial Military District was held from 1 to 7 December. It called on the broad masses of officers and men to submit themselves to the overall situation of the state, and exert themselves in construction for the state. The session conscientiously relayed and studied the important speech by Deng Xiaoping, chairman of the Central Military Commission, calling on the party, governments, Army and people throughout the country to submit themselves wholeheartedly to the overall situation of the state.

In light of practical conditions, all the participants discussed and studied the issues on how the provincial Military District and PLA units should submit themselves to the overall situation of the construction of the state and exert themselves in this overall situation. The session unanimously adopted a resolution on serving the overall situation of the state, and making contributions to the construction of the state. Specific measures for implementing this resolution were also advanced.

Mao Zhiyong, first secretary of the provincial CPC Committee; Jiang Jinliu, first political commissar of the provincial Military District and secretary of the CPC Committee of the provincial Military District, and Gu Shanqing, deputy secretary of the CPC Committee of the provincial Military District, respectively made important speeches at the meeting.

HUNAN CRIMINAL DUAN YUANLAI SENTENCED TO DEATH

HK110338 [Editorial Report] Changsha Hunan Provincial Service in Mandarin at 2300 GMT on 10 December broadcasts a report, portions of which are unmonitorable, concerning the imposition of the death sentence on Duan Yuanlai. The report states:

"In accordance with the relevant articles contained in PRC criminal law on severe punishment for criminals who seriously undermine the economy, and severe punishment for criminals who seriously jeopardize public security, Duan Yuanlai has been sentenced to death and his political rights deprived for life. His illicit money and spoils will be confiscated and turned over to the state treasury."

The report adds: "Duan Yuanlai refused to accept the court decision and lodged an appeal. After retrying the case, the Hunan Higher People's Court made its final adjudication to reject the appeal and sustained the previous court decision. In accordance with the stipulations concerned that the Supreme People's Court may authorize a provincial Higher People's Court, according to law, to examine and approve some death sentences, the Supreme People's Court has approved the death sentence passed on Duan Yuanlai."

The report concludes: "The masses have said: Sentencing Duan Yuanlai to death means eradicating an evil for the party, the state, and the people."

Commentary on Sentence

HK110342 Changsha Hunan Provincial Service in Mandarin 2300 GMT 10 Dec 84

[Station commentary: "A Solemn and Just Verdict"]

[Text] After the Intermediate People's Court of Changsha Prefecture, according to law, passed the death sentence on Duan Yuanlai, who rose to power by rebellion and who committed countless crimes, the people have felt greatly satisfied with the court decision. Duan Yuanlai deserves the death penalty. He did all kinds of evil. However, how could he stay hidden for such a long time and have had such a meteoric rise? The main reason for this was that bourgeois factionalism protected him. Without thoroughly negating the Great Cultural Revolution, it would have been difficult to weed out a criminal like Duan Yuanlai, who committed countless crimes. Therefore, we should make use of the case of Duan Yuanlai, as education by negative example in order to further do well in promoting education on thoroughly negating the Great Cultural Revolution, strengthening party spirit of the proletariat, and completely getting rid of bourgeois factionalism.

Personnel of the organs of state, leading cadres at all levels in particular, have some power in their hands. They should make use of their power to do good for the people. On no account should they abuse their power for private gain, or do something which violates the law. In this connection, sentencing Duan Yuanlai to death will play an important role in guarding the sanctity of the law, safeguarding the prestige of the party and government, improving the party work style, and effecting a fundamental turn for the better in the general mood of the society.

SICHUAN'S YANG RUDAI ON BOOSTING ECONOMY

HK100307 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 9 Dec 84

[Excerpts] On 4 December, Comrade Yang Rudai made a speech at a provincial symposium on the work of People's Congress Standing Committees of cities, autonomous prefectures, and a number of counties. He said: We must strive to double the province's total industrial and agricultural output value by 1988, which is 2 years ahead of the original plan. The period up to 1987 is the key period for laying the foundation and preparing for economic take-off. This take-off should start at the end of the 1980's.

Comrade Yang Rudai said: This year the province's economic situation is very good. From January to November total industrial and agricultural output value and financial revenue showed big increases compared with the same period last year. If things develop at the current speed, it is certain that we can achieve doubling 1 year ahead of schedule. I think that if we do our work well it is possible to strive to achieve doubling 2 years ahead of schedule.

In order to achieve the goal of doubling 2 years ahead of schedule and lay the foundation for economic take-off, he proposed: We must from now on take three steps and do three things well. The first step is to improve communications. We must restructure the province's communications and transport by proceeding from the province's reality. We should simultaneously promote highway and waterway transport. We must in particular do a good job in road construction in mountain areas. The second is to grasp energy construction, and in particular promote the exploitation of hydroelectricity and natural gas. While grasping communications, we must improve energy construction. With improvements in communications and energy, there will be motive power for production and construction and the conditions for economic take-off. The third step is to vigorously develop light industry.

The three things to be done well are as follows: Grasp reform of the economic structure; strengthen technological transformation; and do a good job in opening up to the world.

He said: Only by taking these three steps and doing these three things well can we achieve doubling 2 years ahead of schedule and lay the foundation for the province's economic take-off.

He said in conclusion: An important factor in these three steps and three things is to respect knowledge and talent. We must boldly employ talented people and bring into play the role of the intellectuals.

SICHUAN'S YANG MEETS NPC INVESTIGATION GROUP

HK100311 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 9 Dec 84

[Excerpt] According to SICHUAN RIBAO, an NPC Standing Committee investigation group left by train for Chongqing on the evening of 9 December after spending 4 days in Chengdu. Sichuan Provincial CPC Committee Secretary Yang Rudai, provincial Advisory Commission Chairman Tan Qilong, provincial People's Congress Standing Committee Chairman Du Xinyuan, Governor Yang Xizong, and Vice Governors He Haoju and Gu Jinchu called on the investigation group while they were staying in the (Jinniuba) Guesthouse, where they warmly welcomed the group to Sichuan and chatted with them.

KUNMING PLA COMMITTEE COMPLETES RECTIFICATION

HK080241 Kunming Yunnan Service Provincial in Mandarin 1100 GMT 7 Dec 84

[Text] According to YUNNAN RIBAO, party rectification has been smoothly completed in the CPC Committee and the organs of Kunming Military Region. On the morning of 29 November, the enlarged plenary session of the regional CPC Committee held a full meeting at which CPC Committee Secretary Xie Zhenhua delivered a party rectification summation report on behalf of the committee.

Party rectification in the CPC Committee and organs of Kunming Military Region, carried out under the direct leadership of the Central Military Commission and the specific help and guidance of the commission's party rectification liaison group, has been smoothly completed after 1 year of effort by the CPC Committee, the party organizations in the organs, and the whole body of party members. Achievements have been scored in three respects, and seven experiences have been accumulated in this rectification.

Comrade Xie Zhenhua proposed three measures for consolidating and developing the fruits of party rectification:

1. Seriously study the decision of the 3d Plenary Session of the 12th CPC Central Committee and the spirit of the Central Military Commission forum, to enhance spontaneity and firmness in maintaining a high degree of ideological and political unity with the CPC Central Committee, and strengthen the party's ideological building. Through study, people's thinking should be brought into line with the CPC Central Committee decision on reform of the economic structure, and people should be subordinate to and closely coordinate with the overall situation of national construction, carry out their activities under this overall situation, and work to promote it. At the same time it is necessary to do a good job in a whole series of reforms in the Armed Forces and build a modernized, regularized revolutionary Army with Chinese characteristics.
2. Continue to strengthen and improve party leadership, further revive and carry forward the party's fine traditions of political life, implement democratic centralism, and enliven the party's democratic life. The party committees at all levels must discuss and tackle the major affairs. They must persistently go deep into reality to conduct investigation and study, and eliminate bureaucratic work style.
3. It is necessary to get a good grasp in implementing the reform measures formulated during party rectification. We must apply the experiences of the border defense units' self-defense counterattacks against the Vietnamese at Laoshan and Zheyinshan to promote reforms in combat-readiness training, political work, logistics, joint defense by Army and people, and other respects through the military regions. We must act to vigorously implement the PLA reforms already affirmed by the central authorities and the Central Military Commission. We must produce results as soon as possible in reforms that we are able to undertake within our jurisdiction.

Zhang Zhixiu, deputy secretary of the Kunming Military Region CPC Committee, also spoke on how to consolidate and develop the fruits of party rectification. He said: We must implement in our work the awareness that has been enhanced in party rectification, properly accept the lessons of the past, and overcome unhealthy trends. In particular, we must take effective action to block loopholes in using power for private purposes and in bureaucratism. We must continue to conduct education in totally negating the Cultural Revolution and eliminating factionalism, and further strengthen party spirit. We must do a sound job in implementing Central Military Commission Vice Chairman Yang Shangkun's demand on consolidating and developing the fruits of party rectification, and rapidly create a new situation in all work in the Kunming Military Region.

NI ZHIFU SPEAKS AT TIANJIN ECONOMIC MEETING

SK110611 Tianjin City Service in Mandarin 1430 GMT 10 Dec 84

[Excerpts] This morning, a meeting was ceremoniously held at the Tianjin Guesthouse to report results in the economic and technical cooperation between Tianjin Municipality and the National Defense Science, Technology, and Industry Commission. This is a review of the achievements scored in the cooperation between the Army and the civilian sector since the two sides agreed to organize economic and technical cooperation in May of last year.

Speaking at the meeting were Ni Zhifu, member of the Political Bureau of the CPC Central Committee and secretary of the Tianjin Municipal CPC Committee; Chen Bin, chairman of the National Defense Science, Technology, and Industry Commission; and Li Ruihuan, mayor of Tianjin Municipality. Attending the meeting were responsible comrades of the National Defense Science, Technology, and Industry Commission, ministers in charge of the military industry, and the Ministry of Electronics Industry, including Zhou Yiping, (Li Ruhong), Li Liqing, Cui Guangwei, Zhang Xuedong, Cheng Lianchang, and Liu Shulin. Also attending were responsible comrades of the Tianjin Municipal CPC Committee and the Tianjin Municipal People's Government, including Yang Jingheng and Liu Zengkun.

In his speech, Comrade Chen Bin said: During the past year, the economic cooperation between Tianjin and the National Defense Science, Technology, and Industrial Commission has provided us with new ways and new experiences in organizing economic and technical cooperation between the national defense science, technological, and industrial departments and central cities. This will provide valuable experiences for all places in the country to transfer the military-industrial technologies to civilian units. From now on, we should further promote economic cooperation with Tianjin, and regard the cooperation with Tianjin as our bounden duty. All military industrial technologies needed by Tianjin should be provided, if possible, to Tianjin without reservation. Let us learn from each other, further develop the cooperation through even more flexible methods, commonly explore new ways to promote the development of social productive forces, and make concerted efforts to promote the four modernizations.

Comrade Ni Zhifu pointed out in his speech: Tianjin's achievements in transferring military industry technologies to civilian use have been scored with the cordial help and guidance of the CPC Central Committee and the State Council, and with the vigorous help and support of the National Defense Science, Technology, and Industry Commission. Practice shows that attending to military-civilian cooperation is an important way to accelerate the development of Tianjin's production and technology. He said: Like all other places in the country, Tianjin is faced with a major task of conducting technical transformations among old enterprises. Therefore, at present we must work hard to establish our own technologies and means for our transformation projects. The basic technologies needed to manufacture military weapons and the products for civilian use are common. Thus, we should apply all possible means -- including transferring military industry technology to civilian use, organizing joint research, and importing technologies -- to establish a virtuous circles in technical progress, and to speed up the four modernizations.

Comrade Ni Zhifu said in conclusion: The 3d Plenary Session of the 11th CPC Central Committee adopted the decision concerning the economic structure reform. The economic and technical cooperation between Tianjin and the National Defense Science, Technology, and Industry Commission are a reform in terms of the scientific and technological system and the economic management system. He called on the comrades on Tianjin's scientific and technological and industrial fronts to make the best use of the advanced technologies and equipment and the superiority in management of military industrial departments, and modestly learn from their advanced experiences in order to further develop the economic and technological cooperations between the two sides in a planned, orderly, and thorough manner.

HEILONGJIANG REPORTS PROBLEMS OF ENTERPRISES

SK110555 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 10 Dec 84

[Excerpts] Governor Chen Lei and leading comrades of the relevant departments of the provincial government recently held a discussion with managers of 12 states and collective enterprises, including Harbin bearing plant and the No 1 tool plant, on simplifying administrative procedures, delegating power to lower levels, and invigorating enterprises.

Managers of these 12 enterprises unanimously held that over the past few years, the provincial CPC Committee and government have emancipated the mind, relaxed policies, simplified administrative procedures, and delegated power to lower levels to enliven the economy. This has evoked active repercussions in enterprises. There are, however, many problems that should be solved properly. Everybody feels that it is difficult to operate an enterprise and to serve as a manager. Major problems are as follows:

1. Enterprises have yet to be given what they are entitled to. The managers said: Enterprises now have autonomy in operations and management, but they still lack some of the financial power they should have. The major manifestation of this problem is that controls are too rigid. For instance, some of the maintenance, processing, and transportation work of plants can be done by their workers with a little overtime pay and subsidies. But financially, this is impossible. Therefore, these plants have to contract the work out to others and pay a great deal of money every year.
2. Administrative companies restrict the reform of enterprises and the role of their initiative. Managers of the 12 enterprises held that enterprises are not interested in the administrative companies which have been established in a disorderly manner in violation of the will of enterprises. They called such companies second mothers-in-law, and summed up three major defects in them. First, they have withheld the power and interest of enterprises, which, in fact, means depriving enterprises of their rights. Second, they are often engaged in the egalitarian practice of eating from the same big pot by taking from the fat to pad the lean. Third, they ask for money and materials from enterprises and take for themselves the achievements of workers' labor to feed their own group of people.
3. Enterprises have no enthusiasm because they are like a fast-moving ox that is still being whipped. The directors said: There is a strange phenomenon in enterprises. Their profits and total amounts of wages cannot increase abreast and their bonuses cannot increase in accordance with the increase in their economic returns. Those who work more cannot retain more for themselves and there is no greater pay for more work. The advanced are restricted and the backward are protected. This dampens their enthusiasm for work.
4. Enterprises are overburdened with the many kinds of fees levied upon them. According to the directors of Harbin City's bearing plant, measuring and cutting tools plants, cable plant, No 1 tool plant, and insulating material factory, since the beginning of this year, these plants have had 42 kinds of fees, such as those for running schools, heating power network construction, traffic maintenance, building children's parks, expanding youth houses, drainage system construction and transportation insurance levied upon them.
5. Enterprises are restricted by others and lack the status of legal entities. The 12 managers unanimously held: Enterprises have too many mothers-in-law who like to have a finger in every pie and, therefore, have great difficulty doing things.

They suggested that in the course of urban reform, it is necessary to pay attention to and intensify research on the laws and regulations for enterprises.

It is hoped that there will be laws to protect plants and enterprises so that they can be restricted and protected by laws.

6. Taxes should be levied properly and the interests of the state, the enterprise, and the individual should be handled correctly. The managers said: The fundamental reason why enterprises face a serious shortage of funds is that taxes are not collected very reasonably. Leading persons at higher levels and documents have time and again stressed that the interests of the state, the enterprise, and the individual should be correctly distributed in carrying out economic work to ensure that the state receives the largest share, enterprises get a considerable share, and individuals obtain the rest. However, in actuality the state gets the larger share, the individuals get the rest, and enterprises get none. The managers said: It is necessary to properly reduce the managerial funds and workshop funds of enterprises. However, there must be a limit in the reduction. Financial departments have asked enterprises to reduce such funds by 10 percent annually. This makes enterprise operation all the more difficult because production increases every year but funds decline every year.

7. Depreciation funds are too small, which has an adverse influence on the technical transformation and technical progress of enterprises. (Liu Chengyuan), manager of a measuring and cutting tools plants, said: Our plant has been established for 30 years, during which time we have handed over to the state profits equivalent to 10 times the investment in building a plant like ours. However, we still have equipment from the 1940's. How can we meet the needs in the new technological revolution? Many managers called for efforts to invigorate enterprises and accelerate their technical transformation.

HEILONGJIANG RIBAO CITED ON 2D BATCH RECTIFICATION

SK100452 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 8 Dec 84

[HEILONGJIANG RIBAO 9 December commentator's article: "Study New Characteristics and Uphold High Standards"]

[Text] The article says: In order to maintain high quality in the rectification of the second group of party rectification units, we should give prominence to key points and pay particular attention to solving major problems.

First, we should organize party members to study the decisions of the 3d Plenary Session of the 12th CPC Central Committee, and correctly implement the CPC Central Committee's various principles and policies for reforming the economic system.

Second, we should conscientiously study the resolution adopted at the 6th Plenary Session of the 11th CPC Central Committee, conduct in-depth education in thoroughly negating the Cultural Revolution, eliminate factionalism, and strengthen party spirit.

Third, we should resolutely correct abuses of power for selfish interests and serious bureaucratic work style, and, in particular, pay close attention to correcting the new unhealthy trends cropping up in the new situation.

Fourth, after overcoming factionalism and successfully verifying and investigating the three types of persons, we should further and successfully readjust leading bodies with greater determination and boldness.

While carrying out the aforementioned tasks, prefectural and city party organizations should proceed from the reality of their specific units in analyzing the new changes in the situations within the party. Their major problems to be solved emphatically and their requirements with regard to leading cadres and the masses of party members may differ according to their specific situations.

HEILONGJIANG RECTIFIES UNHEALTHY PRACTICES

OW090115 Beijing XINHUA Domestic Service in Chinese 0736 GMT 8 Dec 84

[Text] Beijing, 8 Dec (XINHUA) -- The Heilongjiang Provincial CPC Committee Discipline Inspection Commission recently issued a circular on strictly adhering to policies and observing discipline in reform in an effort to rectify unhealthy practice surfacing under the new circumstances.

The CPC Central Committee Discipline Inspection Commission recently transmitted the Heilongjiang inspection commission's circular, pointing out that the circular was issued with a clear objective and is of universal significance.

The Heilongjiang Provincial Discipline Inspection Commission's circular points out that taking advantage of reform, especially taking advantage of an organization reshuffle, abolishment, and merger, some localities, departments, and units in Heilongjiang have engaged in unhealthy practices in disregard of overall interests and in violation of policy. Some promoted cadres on a crash basis. They promoted group upon group of people in violation of the four criteria for cadres, giving them higher position titles and raising their salaries. Some indiscriminately and unduly distributed or covertly divided up bonuses or goods. Some arbitrarily misappropriated funds for building or purchasing houses and assigned them to cadres indiscriminately and in haste. To achieve their goals, some even went as far as resorting to deception and committed illicit acts by hook or crook. Although these are isolated cases, their influence and harmful effects are great. They not only obstruct the smooth progress of reform work but also corrupt party style, affect units, and undermine the party's prestige. Party organizations at all levels should take the matter seriously.

To ensure the implementation of the party principles and policies and guide reform in the correct direction, the Heilongjiang Provincial Discipline Inspection Commission put forward the following demands in its circular:

1. Various localities, departments and units should organize their vast numbers of party members and cadres, especially leading cadres at all levels, to seriously study the "Decision of the Central Committee of the Communist Party of China on Reform of the Economic Structure" and other relevant documents in order to profoundly understand the purpose and significance of reform and acquire a clear understanding of the principles and policies. They should organize party members and cadres to correctly carry out the reform in accordance with the arrangements of the CPC Central Committee and the provincial CPC Committee, resolutely overcome departmentalism and individualism and stop and prevent the occurrence of various unhealthy practices.
2. No locality, department, or unit is allowed, in the course of reform and especially during the abolishment or merger of organizations, to promote cadres in haste under any pretext, to indiscriminately issue or divide up bonuses or goods in a false manner, or to build, purchase, or assign houses for cadres in haste. Policies should be strictly implemented, and discipline strictly observed.

Various localities, departments, and units must sternly deal with violations of regulations and malpractice in accordance with the spirit of party rectification. Promotions that were given on in haste should not be recognized under any circumstances. Money and goods that were divided up without authorization or distributed indiscriminately should be returned or repaid without exception. Houses that were unduly obtained should be returned for redistribution. At the same, responsibility should be affixed through investigation.

If the responsibility rests with an organization, the organization and its principal responsible persons should take the responsibility. If the malpractice was committed by an individual, the individual should take the responsibility. Party discipline should be strictly observed.

4. Various localities, departments, and units should relay this circular to all party members, cadres, and workers; launch an education drive in party spirit, style, and discipline and conduct check-ups with reference to practice to identify problems of a similar nature for correction. Party committees and discipline inspection commissions at all levels should seriously assume responsibility and strengthen supervision and check-ups to ensure smooth progress of various reform work.

JILIN CONFERENCE ON ECONOMIC IRREGULARITIES HELD

SK100624 Changchun Jilin Provincial Service in Mandarin 2200 GMT 9 Dec 84

[Text] The provincial conference on dealing blows to serious economic irregularities ended in Changchun on 9 December. At the conference, Zhang Shiyong, secretary of the provincial Discipline Inspection Commission, demanded: In coordination with departments concerned, all levels of discipline inspection commissions and offices in charge of dealing blows to serious economic irregularities should resolutely check the unhealthy trends emerging under the new situation, and investigate and deal with economic irregularities that destroy the economic structure reform in order to ensure a smooth development of the reform of the economic structure.

Comrade Zhang Shiyong said: At present, all levels of party organizations, departments, and units in urban and rural areas in the province are conscientiously studying and implementing the CPC Central Committee's decision on reforming the economic structure. The reform of the economic structure and the work in various other fields are developing very well across the province. However, we should keep clearly in mind that new types of unhealthy trends have emerged under the new situation. All levels of CPC Committees, discipline inspection commissions, and offices in charge of dealing blows to serious economic irregularities must acquire full understanding of new unhealthy trends, give full play to the role of discipline inspection organs in carrying out reforms, and resolutely check new unhealthy trends. At present, efforts should be concentrated on investigating and dealing with those state organs, state functionaries, enterprises and institutions that take advantage of the reform, and use their powers and positions to fraudulently purchase scarce state goods, purchase goods and resell them at a profit, speculate in commodities, arbitrarily raise the prices of goods, disrupt the market, infringe upon the interests of the state and customers, infringe upon the legitimate rights and interests of key and specialized households and economic associations through extortion, indulge in [words indistinct] and violate financial and economic discipline. Necessary disciplinary action should be taken against the people involved in such irregularities according to the seriousness of their cases. Those who violated the criminal law must be dealt with according to law, and should never be tolerated. This provincial conference on dealing blows to serious economic irregularities opened on 5 December. The conference summed up the province's situation during the past year in unfolding the campaign against serious economic irregularities, exchanged experiences in this regard, discussed and studied ways to correct the unhealthy trends that emerged under the new situation, and further defined priorities for next year in dealing blows to serious economic irregularities. The conference called on all levels of discipline inspection commissions and offices in charge of dealing blows to serious economic irregularities to continually and penetratingly launch the campaign against serious economic irregularities next year; pay attention to the work of the commercial, supply and marketing, grain, foreign trade, and forestry fronts and the work of the provincial- and prefectural-level units and state-run plants and mines; continually attend to investigation work; concentrate on investigating and dealing with major and appalling cases; integrate the work of dealing blows to economic irregularities with the work of consolidating leading bodies and straightening out the party style; and further institute and strengthen all rules and regulations in order to close loopholes.

At the same time, they should fully utilize negative examples to educate the vast number of cadres and the masses to oppose corrosive ideas and abide by discipline and laws.

GUO FENG ADDRESSES LIAONING RECTIFICATION MEETING

SK090516 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 8 Dec 84

[Excerpts] Guo Feng, first secretary of the provincial CPC Committee, and Chen Shuzhi, Standing Committee member of the provincial CPC Committee, delivered speeches at the meeting held by the provincial level organs this morning with the participation of responsible comrades from units assigned to the first stage of party rectification where they pointed out that efforts should be made to uphold the spirit of the decision on party rectification, to do a good job in conducting organizational measures and party member registration, and the party rectification task to fulfill from start to finish with high standards and quality.

In his speech at the meeting, Guo Feng, first secretary of the provincial CPC Committee, emphatically cited the issue of how to strengthen leadership over the work of conducting organizational measures and party member registration. He urged leading personnel at all levels to pay great attention to being successful in this work by conducting careful arrangements, concentrating their energy, making full use of their personnel, and by concentrating on a period of time. In conducting this work, efforts should be made to uphold the standard of party members' qualifications, the principle of seeking truth from facts, the various policies set forth for conducting organizational measures, the system of democratic centralism, and the line of relying on the masses so as to bring into full play the role of the party branch as a fighting bastion. Meanwhile, continuous efforts should be made to do a good job in conducting ideological education on straightening out party style and conducting reforms in the course of party rectification. In these days, special attention should be paid to various malpractices cropping up in the new situation and to watching out for those who attempt to seek personal gain and benefits for specific units by taking advantage of conducting reforms. Those who have committed serious mistakes and have been a bad influence should be investigated thoroughly immediately and strictly punished.

SHENYANG'S LI DESHENG WRITES TO SELF-STUDY STUDENTS

SK060940 Shenyang LIAONING RIBAO in Chinese 21 Nov 84 p 1

[Text] On 14 November, Li Desheng, commander of the Shenyang Military Region, sent a letter from Beijing to the military region personnel attending the self-study university to encourage them to study assiduously and solidly and to strive to achieve good results in the examinations.

He said that the military region's self-study university for office cadres has made gratifying achievements in the 2 years since its founding. At present, leaders of all departments should tirelessly support the self-study personnel in their studies and take effective organizational measures to ensure that they have enough time to study well under the situation in which they have much work to do and heavy tasks to complete at the end of the year.

While talking about the examinations in "national economic management" and "modern Chinese history" organized by the provincial Higher Educational Bureau, which will be held in the near future, he encouraged all self-study personnel to carry forward the tough fighting spirit and to make efforts to achieve good scores in the examinations.

GANSU HOLDS FIRST CONGRESS OF INDIVIDUAL LABORERS

HK070937 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 6 Dec 84

[Text] The first provincial congress of individual laborers, which ended this afternoon, called on individual labor associations at all levels to provide various services to their members so as to become genuine mass organizations which educate, manage, and serve themselves.

The congress held that developing urban and rural individual economy is a protracted task of our party and state. The individual labor associations at all levels must always play the role of educating, managing, and serving themselves centered on the party's central work. They must firmly grasp the following:

1. Strengthen organizational and ideological construction of the associations. Committee members of the associations must take the lead in study, be models in serving the people, and be bosom buddies of other members so that the members can genuinely realize the functional role of the associations.
2. Strengthen education among members in politics, ideology, policies, and laws so that individual laborers can properly implement all policies of the party and state, observe discipline and execute law, carry out business operations in a civilized manner, provide fine-quality services, and mobilize all members to resolutely fight against all illegal acts harming the interests of the people, such as doing shoddy work and using inferior material, mixing the spurious with the genuine, and giving short measure.
3. Do good service work among members, contact government and relevant departments in a timely manner to resolve various practical difficulties which the members may meet in their production and business operations, fight against various acts which discriminate against, exclude, and retaliate individual traders and put up obstacles against them, and safeguard the lawful rights and interests of the members.
4. Vigorously carry out emulation drive activities with five stresses, four beauties, and three loves as the essence, vigorously promote advanced experiences, and commend good people and deeds.
5. Actively assist government and various relevant departments in doing a good job in the development and administrative management of individual laborers. At present, it is necessary to vigorously develop the repair industry, service industry, handicraft industry, and energy exploitation, which are urgently needed by society.

The congress discussed and approved regulations of the Gansu Provincial Individual Laborers Association, and elected the 1st provincial committee of individual laborers. Comrade (Zhan Kaisheng) was elected chairman. The congress also elected Comrade (Huo Jianshan) honorary chairman of the provincial individual laborers association and invited Comrades (Zhai Huanban) and (Wang Zuo) to be advisers to the association.

Hou Zongbin, Standing Committee member of the provincial CPC Committee and provincial vice governor, attended yesterday afternoon's closing ceremony and delivered a speech.

NINGXIA ECONOMY SAID DEVELOPING RAPIDLY

HK101158 Yinchuan NINGXIA RIBAO in Chinese 29 Nov 84 p 1

[Report by Tong Zonghe: "Rapid Development of the Region's National Economy"]

[Text] Spurred on by the reform of the economic structure, party and government organs at various levels in our region have earnestly implemented the central authorities' policy of enlivening the domestic economy and opening to the outside world. With the efforts of people of all nationalities in the region over the past 10 months or so, production has increased, economic results have been enhanced, and the national economy has developed rapidly.

1. An unprecedented bumper crop has been reaped in agriculture. Following the bumper harvest of grain which yielded more than 2.89 billion jin of grain last year, a bumper crop has again been reaped this year despite relatively serious natural disasters. It is expected that the total grain output will exceed 3 billion jin, 3.6 percent higher than that of last year. This will set the highest record in history. The outputs of other crops are also very gratifying. The output of sugar beets is expected to reach 500 million jin, 69 percent over that of last year. The output of oil-bearing crops will also exceed that of last year. Trees have been planted over an area of 1.4 million mu this year, which is 120 percent more than that of last year. This year more trees have been planted in our region than any other year in the past. The number of hogs, sheep, and cattle is respectively 1.3, 7.1, and 3.1 percent more than last year. The number of hogs, sheep, and food cows sold is respectively 1, 2.8, and 3.8 percent more than last year. The number of town and township enterprises and specialized households is increasing with each passing day and industrial production and sideline production are continuously developing in range and quality. Fishery is developing rapidly and the output of aquatic products has increased by 9.6 percent. The total agricultural output value of the whole region is estimated to exceed 1 billion yuan.

2. Industrial production has continuously increased by a big margin. Following enterprise readjustment and through strengthening and improving operation and management, the growth rate of the industrial production of our region has been further increased on the basis of last year's 13 percent increase. From January to October, the total industrial output value of the whole region was 1.52 billion yuan, which was 15 percent more than that of the same period last year and was equivalent to the annual output value in 1979. The momentum in both light and heavy industry is good. Light industry registered an increase of 12 percent over that of the same period last year and heavy industry an increase of 15 percent. Their output values were respectively more than 40 and 1,090 million yuan. The total annual industrial output value will exceed 1.8 billion yuan, scoring an unprecedented record. Industrial economic results have also been increased markedly. From January to October, income from sales of industrial products increased by 13 percent, profits and taxes increased by 91 percent, and profit delivery and tax payment increased by 55 percent.

3. Under the planned control over capital construction, more than 285 million yuan has been invested. The speed of capital construction in the first half of this year was relatively slow. The situation began to turn for the better in the beginning of the third quarter and capital construction is progressing smoothly at present. Work in the 10 major construction projects in our region has been quite good.

4. Commodity management with multichannels and less links continues to develop. Supply of commodities in the market has a greater variety and buying and selling are brisk. By the end of October, the volume of sales of social commodities of the region already had reached 927 million yuan, 13 percent more than that in the same period last year.

With the increase of the incomes of urban and rural residents, their purchasing power increases. Some high-grade consumer goods are in short supply. Color television sets were only owned by a few families several years ago. At present they are in great demand.

QINGHAI STANDING COMMITTEE MEETING ENDS 8 DEC

HK101205 Xining Qinghai Provincial Service in Mandarin 1100 GMT 9 Dec 84

[Text] The 2-day 10th meeting of the 6th provincial People's Congress Standing Committee ended in Xining on 8 December. This meeting relayed the spirit of the eighth meeting of the NPC Standing Committee, listened to explanations given by (Xiong Binhai), member of the provincial People's Congress Standing Committee, on the draft of the regulations on protecting the lawful rights and interests of women and children in the province, and listened to explanations given by (Ma Youzhong), chairman of the Legislative Affairs Commission of the provincial People's Congress Standing Committee, on the draft of the decision of the provincial People's Congress Standing Committee on the time limit for dealing with criminal cases in remote areas in the province.

After examination and discussion, the meeting unanimously adopted the provincial regulations on protecting the lawful rights and interests of women and children and the decision of the provincial People's Congress Standing Committee on the time limit for dealing with civil cases in remote areas in the province. The meeting also adopted some appointments and removals.

Song Lin, chairman of the provincial People's Congress Standing Committee; Yang Xilin, Qiang Jianxue, Xabchung Garbo, Xie Gaofeng, Ma Wending, Zhuo Jia, and Wei Jinde, vice chairman of the provincial People's Congress Standing Committee, attended the meeting.

Attending the meeting as nonvoting delegates were (Ga Gulong) and Han Fucui, provincial vice governors; Kang Shichang, president of the provincial Higher People's Court; Zhang Jimin, chief procurator of the provincial People's Procuratorate; and responsible persons of the people's congress standing committees of all autonomous prefectures, cities, and counties.

SHAANXI SECRETARY DISCUSSES PUBLIC HEALTH REFORM

HK100832 Xian Shaanxi Provincial Service in Mandarin 1130 GMT 9 Dec 84

[Text] Bai Jinian, secretary of the provincial CPC Committee, recently delivered a speech on the reform of public health work in the province. He said: The reform of public health work should proceed from the stage of providing conveniences for the masses and preventing and treating diseases, and should strive to enhance the quality of medical work. Medical and public health work should also act according to economic laws and strengthen economic accounting and management.

Comrade Bai Jinian said: Bold reforms should be carried out in public health work. Various channels, stages, and plans should be followed to set up and run different kinds of medical and health facilities. It is necessary to proceed from reality and to give due consideration to the interests of the masses and do everything possible to make things convenient for them. For example, the beds allocated for family health can make things easy for patients. However, the number of beds set up in cities is much greater than in rural areas, and the number of such beds in mountainous areas is very small. Efforts should be exerted to improve this in the grassroots levels. Measures should be adopted to organize and encourage those unemployed and retired Chinese-style and Western-style doctors, practitioners, and medical workers, after professional examinations, to start business and practice and to run health stations and clinics. It is necessary to perfect the relevant medical rules, improve manners in service, and enhance the quality of treatment.

Bai Jinian emphasized: In medical reform, it is essential to grasp the work of training talented people. In the past there were lots of famous Chinese-style doctors in the province, and some of these doctors still practice. Urgent efforts should be made to salvage, inherit, and enhance their medical theories and experiences. It is necessary to run all types of medical schools and institutions well, both Chinese and Western style, paying special attention to training medical personnel for the mountainous areas in the south and the north of Shaanxi. Comrade Bai Jinian also pointed out: In speeding up the pace of medical reform, it is necessary to strengthen the operation and management of the medical and health units and to gradually improve the situation of hospitals sustaining long-term financial losses. At present, many medical units, especially hospitals at and below the county level, badly need renovation of equipment and facilities. It will not do to depend entirely on the state in updating their equipment. It is necessary to study the new subject of how to act according to the economic laws in developing medical and health undertakings.

XINJIANG'S WANG ENMAO ON BOOSTING FOREIGN INVESTMENT

HK090625 Beijing CHINA DAILY in English 9 Dec 84 p 1

[By staff reporter Ma Jisen]

[Text] Urumqi-Xinjiang is set to boost its oil and petrochemical industries by using foreign funds, Wang Enmao, party secretary of the Xinjiang Uygur Autonomous Region, said in an interview with CHINA DAILY.

Wang said Xinjiang is rich in natural resources, especially in energy resources. Oil has been found both in north and south Xinjiang and a large part of the deposits is waiting for exploitation. Coal deposits are estimated to be more than in Shanxi Province, the leading coal producer in China.

Wang made a study tour to the United States in October and was impressed by the development of California, Arizona and Texas, where the natural conditions are much like Xinjiang's.

Xinjiang needs funds, technology and advanced equipment, he said. "We hope that the open policy will help solve these problems." Wang said there is plenty of room for foreign business to cooperate with China in Xinjiang.

On the form of co-operation, Wang noted joint ventures and compensation trade already exist in Xinjiang along with the introduction of foreign funds. Some projects are worth hundreds of millions of dollars, others amount to just thousands of dollars.

There is plenty of water underground, which is very favourable for the development of the region. Water conservancy projects including irrigation works, and transport and communication facilities also rank high in the development plan. More airlines and rail and highways will be built; an expressway from Urumqi to Hami is already under construction.

Xinjiang is also opening to near neighbours, said Wang. Trade with the Soviet Union started this year. Two border ports, Huoergosi and Tuoyun, have been opened. Trade with Pakistan is flourishing. And live sheep are being exported by air to the Middle East.

FUJIAN LEADER ON INCREASING CONTACTS WITH TAIWAN

HK030129 Beijing ZHONGGUO XINWEN SHE in Chinese 1313 GMT 2 Dec 84

[Text] Fuzhou, 2 Dec (ZHONGGUO XINWEN SHE) -- "Contacts between the compatriots of Taiwan and those of Fujian on the mainland have never been cut during the past 35 years, and no artificial force can obstruct them. These contacts are expanding all the time. A profound change will occur one day." This was stated by Fujian Vice Governor Zhang Yi this afternoon when receiving 15 Beijing-based correspondents from the United States, Britain, France, Japan, Switzerland, Norway, and Australia in the Minjiang Hotel in Fuzhou. The correspondents had been invited to visit by the provincial government.

Answering correspondents' questions, Zhang Yi said, Fujian Province now has four reception centers for Taiwan fishermen. In recent years Taiwan fishermen have often come to these centers to take refuge from storms, take on fuel, have sickness attended to, and visit relatives and friends. Businessmen have also come to do business. No artificial force can obstruct contacts of this kind, which show that the compatriots on both sides of the Taiwan Strait yearn for the reunification of the motherland.

Correspondents asked whether they could visit the reception centers for Taiwan fishermen, and also see Taiwan compatriots and dependents of Taiwan compatriots who had come back to live on the mainland. Zhang Yi unreservedly promised that they could. He said that on their way to Xiamen, they would be free to visit the Chongwu fishermen's reception center at Huian.

The foreign correspondents will spend a week in Fujian, visiting and touring Fuzhou, Quanzhou, and Xiamen.

GAS EXPLOSION OCCURS IN TAIWAN COAL MINE

PRC Red Cross Offers Aid

OW092140 Beijing XINHUA Domestic Service in Chinese 0240 GMT 9 Dec 84

[Text] Beijing, 9 Dec (XINHUA) -- The Red Cross Society of China sent a message to the Taiwan Red Cross Society yesterday to express concern about and show sympathy with the large number of compatriot miners killed and injured in a recent gas explosion which unfortunately occurred in Tunnel No 1 of the Haishan Coal Mine at Sanxia Town, Taibei County. The message also asked the Taiwan Red Cross Society if any assistance is required from the Red Cross Society of China.

PRC Groups Send Condolences

OW071620 Beijing XINHUA in English 1608 GMT 7 Dec 84

[Text] Beijing, December 7 (XINHUA) -- The Coal Miners' Trade Union of China today sent a telegram to Haishan pit, Taiwan, expressing sympathy for the victims of this week's gas explosion there.

It is reported that more than 30 miners were dead, and more than 60 were missing.

The telegram said: "We are shocked at the gas explosion in the Haishan pit, which killed or wounded several dozen workers. The Coal Miners' Trade Union of China and all miners on the mainland extend their sincere sympathy for the victims and their relatives."

The telegram noted that this was the third major accident at Taiwan coal mines since June.

It said: "We strongly demand that the Taiwan authorities take effective measures to guarantee the lives and safety of Taiwan miners."

On Thursday, the All-China Federation of Taiwan Compatriots sent a similar telegram to the Taiwan miners.

COAL SOCIETY URGES ACADEMIC EXCHANGES WITH TAIWAN

HK110706 Beijing ZHONGGUO XINWEN SHE in Chinese 1328 GMT 10 Dec 84

["China Coal Society Desires To Carry Out Academic Exchange With Its Taiwan Counterpart"
-- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 10 Dec (ZHONGGUO XINWEN SHE) -- A responsible person of the China Coal Society today told our reporter that he is deeply concerned about the serious accident that took place in the Haishan coal mine of Taiwan on 5 December. He also expressed his deep sympathy for the families of the coal miners who met with misfortune.

The responsible person said: Serious accidents have occurred in three Taiwan coal mines this year, causing heavy casualties and arousing strong repercussions among various circles in Taiwan, which have demanded that the Taiwan authorities improve conditions in the coal mines so as to ensure the safety of the coal miners. Coal mine scientific and technological workers in the mainland have the same feelings on this matter.

The responsible person said: We hope that we can carry out academic discussions and exchanges with Taiwan coal mine scientific and technological personnel on safety supervision, preventing disasters, and safety technology in coal mines. We hope that the Taiwan coal mine scientific and technological circles will make an active response.

XINHUA REPORTS ON TAIWAN'S INCREASE IN CRIMES

06091317 Beijing XINHUA Domestic Service in Chinese 0043 GMT 9 Dec 84

[From the "Taiwan Today" column: "Overcrowded Jails"]

[Excerpt] Beijing, 9 Dec (XINHUA) -- Taiwan's "Ministry of Justice" disclosed that in Taiwan and the Jinmin (Quemoy) area, there are 16 jails, 16 detention centers, 3 juvenile reformatories, and 4 juvenile watchhouses. As of mid-November this year, the jails and detention houses locked up 30,995 persons, 5,000 more than their designed capacity. There were 6,800 juveniles in prison.

Minister Shi Qiyang of Taiwan's "Ministry of Justice" admitted that in the past 10 years the number of crimes in Taiwan has increased, the nature of crimes has become more vicious, and the age of criminals has dropped. Last year there were 56,268 criminals (excluding offenders of the Law of Negotiable Instruments), an increase of 147 percent over 10 years ago. Larceny was the most common crime, and crimes of violence rose 58 percent in the 10 years. The number of juvenile delinquents has risen continuously since 1977 and reached 14,796 in 1981. There were 6,825 juvenile delinquents in the first 6 months of this year, an increase of 19.44 percent over the corresponding period in 1983.

CHINA POST ON ECONOMIC CONFERENCE WITH U.S.

OW071740 Taipei CHINA POST in English 3 Dec 84 p 4

[Editorial: "8th ROC-USA USA-ROC Economic Councils Joint Conference"]

[Text] The holding of the 8th Joint ROC-USA and USA-ROC Economic Councils Conference this morning at the Grand Hotel, Taipei will provide an opportunity for both nations to examine the current economic and trade relations and future cooperation.

The joint conference, under the co-chairmanship of C.F. Koo and David Kennedy, will discuss all current economic and trade problems under the following topics including agricultural products and food processing, banking and finance, electronics and telecommunication, construction, metallurgical processing and machinery, petrochemical industry, electricity and energy, communications and transportation, environment protection and medical and health facilities, and U.S. hi-tech development in the 1990s.

Among the 1,000 participants in the joint conference, 460 prominent delegates came from the United States headed by Co-Chairman David M. Kennedy, chairman of the USA-ROC Economic Council. Mrs. Anna Chennault, vice president of President Reagan's Export Council, Senator Frank Murkowski, Rep. Alaska, chairman of the Senate East Asian and Pacific Affairs Subcommittee, Governor Richard Celeste of Ohio and many other prominent business and industrial leaders of the United States are all on hand to take part in the interesting discussions.

The joint conference will also commemorate the 200th anniversary of the Sino-U.S. trade. Our trade with the United States has grown from a meager beginning to the current status of being the sixth largest trade partner of the United States with a trade surplus in the ROC's favor amounting to US\$10 billion at the end of this year.

This is one of the important subjects of discussions at the joint conference. But as Mr Kennedy pointed out in his press interview, the ROC Government is "trying to correct the problem" and he praised the ROC Government for sending buying missions to the United States.

On the other hand, Kennedy also pointed out that the United States should take a more active role in finding its Taiwan markets. This suggestion deserves consideration and active implementation in order to reduce the trade deficit uppermost in many people's minds. The United States should display its salesmanship techniques so well-known in the world and not rely on customers knocking at U.S. doors. The ROC Government, meanwhile, is trying to reduce trade barriers as much as it is feasible and practical.

We hope that the three-day joint conference will result in a new era of Sino-U.S. economic, trade and financial cooperation to set an example of close friendship and cooperation for all the Asian and Pacific region to emulate. We wish the 8th ROC-USA and USA-ROC Economic Council Joint Conference every success.

Premier On Narrowing Trade Gap

OW071722 Taipei CHINA POST in English 4 Dec 84 p 11

[Text] Premier Yo Kuo-Hwa said yesterday the Republic of China is "anxious" to reduce the growing trade surplus with the United States and suggested the two countries take joint action to redress the imbalance.

"We are as anxious to narrow down this trade gap as our American friends. To bring that about will require not only our best joint effort, but much mutual understanding and good will as well," the premier said.

"Our desire to foster a free, open economy is based partly on long-range self interest, and partly on our desire to join with other free nations, particularly the United States, in the pursuit of a higher level of material well-being," he added.

Following is the full text of Premier Yu's speech delivered at the joint conference of the ROC-USA and USA-ROC Economic Councils held at the Grand Hotel yesterday afternoon:

Mr. Kennedy, Mr. Koo, distinguished guests, ladies & gentlemen:

It is a great pleasure for me to address this Eighth Joint Conference of the USA-ROC and ROC-USA Economic Councils. Your annual convention this year takes on a special significance, as 1984 marks the 200th anniversary of trade relations between the United States and China. Two hundred years ago, in the year 1784, an American sailing ship, the Empress of China, set sail carrying a cargo of goods destined for the China market, with the intention of carrying back exotic products from the Orient in return, thereby marking the beginning of a profitable trade between our two countries.

Today, two centuries later annual trade between ROC and USA has ballooned to near US\$20 billion, making the United States the Republic of China's largest trading partner and the Republic of China the 6th largest trading partners of the United States.

Needless to say, we in the Republic of China are elated by this remarkable progress, which has been greatly accelerated during the past three decades. This acceleration is the result of enormous increases in production capacity and the development of more efficient means of communication stemming from advances in science and technology. But above all, it is due to the mutual profitableness of this trade relationship, and a common desire to go faster and further in strengthening that relationship. The presence here today of such a large number of distinguished representatives of American business underscores the commitment of the American business community to this vision of the future. I take great delight in welcoming all our American friends to Taipei and in wishing them a very pleasant visit.

The United States, as everybody recognizes, is an advanced country in terms of the maturity and sophistication of its industry and the high productivity of its agriculture. It is richly endowed with natural resources. It has long stood on the frontier of technological innovation and progress. These advantages have enabled the United States to produce an abundant supply of agricultural products and technology-intensive manufactures. The high-cost of American labor has hampered the United States in the production of labor-intensive products. In contrast, my country is poorly endowed with natural resources and a new comer in the race for industrial development. We have fully exploited our advantage of low-cost labor by producing and exporting labor-intensive products. These differences in supply conditions have largely determined the trade pattern which has developed between our two countries, and help explain the rapid growth of our bilateral trade, we can easily discern that U.S. imports from us are composed mainly of labor-intensive, light-industry products, in sharp contrast with ROC imports from the United States, which consist largely of agricultural products and technology-intensive goods.

This difference in import structure accurately reflects the different factor endowments and technologies of our two countries. Trade and production patterns based on the principle of comparative advantage should definitely bring benefits to both. For example, wheat can be grown in the United States at much lower cost than here, so we import wheat from the United States. This stimulates U.S. farm production, but also helps keep down the price of wheat products in Taiwan, and enables us to concentrate on the production of goods which we can produce more efficiently. Likewise, the Republic of China has a cost advantage in the production of labor-intensive manufactures, so we export these to the United States. Such an exchange of goods through trade helps satisfy consumer demand and contributes to price stability in both countries. Suffice it to say that all trade based on the principle of comparative advantage should be encouraged and facilitated rather than restricted.

The past decade has witnessed a five-fold increase, or a 20 percent annual growth, in our bilateral trade. However, this booming trade has also resulted in a growing trade surplus in favor of the Republic of China. Our surplus stood at US\$6.7 billion in 1983 and is likely to reach US\$10 billion this year. This widening trade gap has been a matter of increasing concern to the United States. I hasten to add that your concern is also our concern. A lopsided trade development generates problems, and should not be left unattended to. Besides, to us the issue is by no means new. We, in our turn, suffer a huge trade deficit in our bilateral trade with Japan, and we do understand the pressure such a deficit tends to generate.

So we are as anxious to narrow down this trade gap as our American friends. To bring that about will require not only our best joint effort, but much mutual understanding and good will as well. On our part, for years we have been relaxing our trade control and revising our tariff downward. These measures do not seem to have produced the desired effect. Maybe, the range is still not enough, and more needs to be done. But could there be some other explanation? We note, for instance, that in 1983 our imports from the United States amounted the US\$250 per capita. The corresponding U.S. figure for ROC imports is only one-fifth that much.

This statistics strongly indicate that the buy-American propensity of ROC individual consumers and business firms is fairly high, as US\$250 amounts to around 10 percent of our per capita income. Could it not be, that in order to reduce the trade gap, the solution might lie in devising ways and means to increase our per capita national income still further, through even higher economic development?

Soon after the assumption of my present office, I listed 14 high-priority projects for the further development of our national economy. Currently, those projects are in various stages of implementation. Only two weeks ago, President Chiang Ching-kuo personally presided over a high-level conference and decided to adopt a number of policy guide-lines for future economic development. The ROC Government is committed to adopt a free market economy; to voluntarily relinquish national barriers in matters of economic institutions. These orientations are deemed inevitable in order to sustain the rapid expansion of our economy, in the light of over even increasing commercial, technological, and cultural exchange among nations.

The new look in our economic policy is rendered doubly necessary in the face of challenges which we have to meet in the time to come. While our economic development in the past, as I have pointed out, has largely come about along the lines where we have a comparative advantage, we are currently launching into a non-charted area.

In a recent interview with the ASIAN WALL STREET JOURNAL, I point out that, very recently, we have actively promoted science and technology-oriented industries, especially electronics, information and machinery. In my country the growth rate of these industries is much higher than that of industries in general. In the first half of 1984, the export value of the so-called strategic-industry products increased 41 percent over the same period last year. Among these products, computers and peripherals have enjoyed the fastest growth.

These innovations, as we may expect, generate new problems, such as the protection of patent and intellectual property rights. In the course of time, I feel sure these problems will be solved fairly, to the satisfaction of rightful owners.

Our desire to foster a free, open economy is based partly on long-range self interest, and partly on our desire to join with other free nations, particularly the United States, in the pursuit of a higher level of material well-being. In working towards this end, we are looking forward to all our friends here, for advance and active participation.

I thank you for your kind attention, and I wish your conference great success.

CHINA POST CAUTIONS AGAINST MAINLAND INVESTMENT

OW071420 Taipei CHINA POST in English 3 Dec 84 p 4

[Editorial: "Uncertainties of U.S. Investment on Chinese Mainland"]

[Text] The growing close economic cooperation between the ROC and the United States provides a sharp contrast to the uncertainties of U.S. investments on the Chinese mainland.

Alexander B. Trowbridge, president of the National Association of Manufacturers, former U.S. commerce secretary and co-chairman of a 13-day mission from the Overseas Private Investment Corp, told a press conference in Peking, Nov. 30 that many American businesses are hesitant about investing in Mainland China because of uncertainties over taxation, labor, marketing and other problems.

He said that investment conditions were not stable in Mainland China. There are too many unanswered questions, he said, casting doubts about the nature of joint venture, taxation, foreign currency access, labor laws, pricing and the proportion of products destined for domestic market or export.

All those problems are sufficient to discourage any businessman from venturing his capital in Mainland China. The Chinese communist habit of cancelling any agreement without valid reasons adds to the plight of businessmen. The recent Chinese Communist announcement that it is unable to fulfill its grain purchase agreement with the United States, provides a vivid reminder of the futility of reaching any agreement with the Chinese Communists who are operating on the theory that all agreement are made to be broken.

EDITORIAL ON DEVELOPMENT OF RELATIONS WITH U.S.

OW081928 Taipei CHUNG YANG JIH PAO in Chinese 3 Dec 84 p 1

[Editorial: "The Enhancement of ROC-U.S. Cooperative Relations"]

[Excerpts] A new development in ROC-U.S. relations has been observed following the U.S. general election.

Several groups of personages within U.S. political circles have visited our country to meet with Chinese Government leaders and to attend meetings to exchange views with Chinese Government officials on matters of mutual interest. The Chinese Government and people welcome them and attach great importance to their visits with the belief that they will enhance ROC-U.S. friendship and cooperation and promote the two countries' economic relations and trade.

Over the past 3 weeks or so, many American groups have visited the Republic of China. U.S. Senators Jake Garn, Paul Laxalt, John Danforth, and Alan Simpson and their wives visited the Republic of China from 17 to 19 November. They had an extensive exchange of views with President Chiang Ching-kuo on the situation in East Asia and on ROC-U.S. relations. From 21 to 23 November, U.S. Representatives Thoms Foley, Frank Horton, and their party visited the Republic of China. President Chiang received them on 22 November. Yesterday, Frank Murkowski, chairman of the East Asian and Pacific Affairs Subcommittee of the Senate Foreign Relations Committee, his wife, and party came to visit our country. During their stay here, they will meet with Chinese Government leaders and they will attend the Eighth Joint Conference of the ROC-USA and USA-ROC Economic Councils.

The Republic of China and the United States, two countries with lofty political ideals, were loyal allies who fought shoulder to shoulder during World War II. Through their close cooperation in the past 30 years and more, they have made significant contributions to the peace and stability in Asia and in the Pacific region. A review of the current world situation shows that ROC-U.S. friendship and cooperation is even more important at present, and it will continue to be so in the future. Because of common ideals and vital interests, ROC-U.S. relations must be earnestly promoted and further strengthened in all quarters. At a time when a new phase of ROC-U.S. relations has begun, we believe that the visits by influential American personages to the Republic of China will enable them to understand the current situation of the Republic of China more clearly, thus enhancing the common understanding that stronger ROC-U.S. relations and cooperation is in the interest of both countries.

As ROC-U.S. relations continue to evolve, we expect the United States to be fully aware of the Chinese Communists' evil nature of upholding Marxism and Leninism and totalitarianism. We hope the United States will never encourage the Communist's dictatorial rule and bellicosity by trying to team up with them with an attempt to thwart the USSR. We must urge the United States to understand that, since the Chinese communist regime is the most vicious, ruthless and crafty among all communist regimes, the United States must never trust any of its promises or assurances. We must also urge the United States to understand that the Republic of China must be fully capable of defending itself in so that its security can be ensured, and so that peace and stability in Asia and in the Pacific region can be preserved.

Significant progress has been achieved in the development of ROC-U.S. economic relations and trade as well as in their cultural, scientific, and technological exchange. The progress is even more conspicuous in the area of economic relations and trade. Because of mutual needs, the volume of trade between the two countries has increased each year. According to estimates, the volume of ROC-U.S. trade this year will reach \$21 billion, or approximately 30 percent higher than that of last year's \$15.9 billion. Today, the ROC has become the sixth largest trade partner of the United States. In ROC-U.S. trade, however, the Republic of China enjoys a relatively great trade surplus, which is expected to reach \$10 billion this year. This is an issue of mutual concern and ways are being sought to remedy the situation.

Beginning today, the Eighth Joint Conference of the ROC-USA and USA-ROC Economic Councils is meeting in Taipei under the cochairmanship of C.F. Koo, chairman of the ROC-USA Economic Council, and David Kennedy, chairman of the USA-ROC Economic Council. Over 1,000 representatives are attending this 3-day conference, including over 460 American delegates. Among the American delegates are Senator Murkowski from Alaska, Ohio Governor Richard Celeste, Hawaii Governor George Ariyoshi, Kansas Governor John Carlin, and New Mexico Governor Toney Anaya, representatives of 45 state governments in the United States, and many American business leaders. This is an important meeting unprecedented in terms of the number of representatives and delegations.

Mutual sincerity is most essential in promoting international friendship and cooperation. This is also true in the field of economic relations and trade as well as in the political area. The Republic of China has always made efforts to cooperate with the United States on the basis of sincerity; cooperation for the sake of mutual benefit is a basic guideline we have followed in handling our foreign trade. To balance ROC-U.S. trade, the Republic of China has not only sent procurement delegations to the United States to purchase large amounts of U.S. goods each year, but it has also gradually eased its tariffs and headed toward internationalization and liberalization. This spirit and way of handling trade are identical with those of the United States. We therefore believe that the structure of ROC-U.S. trade will improve in the future.

SUBVERSIVE DRUG-SMUGGLING GROUP ARRESTED

OW101131 Taipei LIEN HO PAO in Chinese 7 Dec 84 p 5

[Text] Taipei -- Intelligence and security units recently exposed an insurgent group which attempted to subvert Taiwan with large amounts of narcotics smuggled into Taiwan from Thailand. Four people who have been arrested are currently being investigated by the Taiwan garrison headquarters.

According to sources, a Chinese traveler bearing a Thai passport flew to Taiwan by a Thai Airlines flight No 610 on 12 November as a tourist. To avoid being checked by security personnel at the airport, he deposited a briefcase with 3 kilograms of narcotics in it at the storeroom of the Chiang Kai-shek Airport, planning to pick it up later.

As the piece of luggage was deposited, intelligence and security units were informed. They immediately acted in coordination with customhouse inspectors to check the briefcase. When their precision instruments revealed the narcotics content, they traced the owner and arrested him at a tourist hotel in Taipei.

Based on the man's confession, intelligence and security units also arrested three of his accomplices in Taipei and Kaohsiung, and the four are currently being investigated by a military procurator of the Taiwan garrison headquarters.

Reliable sources say that the narcotics traders had the Chinese Communists' behind-the-scenes support in smuggling narcotics into Taiwan from Thailand's Golden Triangle. They say that, in addition to spreading the use of narcotics in Taiwan, they tried to use the profits earned from their narcotics trade to finance their operations in subverting the government.

MING PAO: PART 5 OF HU YAOBANG INTERVIEW WITH CHA

HK100700 Hong Kong MING PAO in Chinese 9 Dec 84 p 4

["Remarks of General Secretary Hu Yaobang When Meeting With MING PAO Publisher Cha Liangyong on 19 October" -- fifth and last part]

[Text] A Trip to Xizang

Hu Qili: I was told that Mr Cha had planned a trip to Xizang. Now it is a bit too late to make the trip. Xizang is now covered with snow and the roads are frozen. It is not very safe to travel on them. Next time let us plan in advance. If you want to visit Xizang, you had better have ample time. First you should go to Lhasa and take a 3-day rest there. You had better stay in bed in order to let your body adapt to the pressure there and let your red blood cells multiply. Under normal circumstances, each of us has 5 million red blood cells in our bodies. However, in Lhasa, which is 3,700 meters above sea level, you must have 6 to 7 million red blood cells in order to survive. If you overexert yourself before a certain increase in the number of red blood cells, you are liable to do harm to your health and muscles. If you do not have much time, you can visit Potala Palace if you carry oxygen. We once stayed in Xizang for 2 weeks. At 5,300 meters above sea level, the snow under our feet was as soft as cotton. We could only walk and move slowly. We could not run, or else our oxygen supply would become inadequate. You should go to Xizang, it is worth the effort. The only point is that you must have ample time. There is another route. You can go to Xizang from Katmandu. Katmandu is only 90 kilometers from Zhangmu. There you can see the southern slopes of the Himalayas. That is more comfortable and you can see a beautiful tropical scene there.

Hu Yaobang: We have ordered some Seahawk helicopters from the United States. In the future, we can go to Xizang using these. Comrade Ziyang suggested that we import some small aircraft which can carry 30 to 40 passengers each. I have discussed the question of Xizang's tourism with some foreign friends. We will strive to solve the problem in the first half of next year.

Hu Qili: The National Tourism Administration has formulated a plan about which Nepal is enthusiastic. It is looking forward to the early opening of two airlines between Lhasa and Nepal.

Hu Yaobang: In 1980, I went there once. Comrade Qili is going to visit again next year. In September next year the Xizang Autonomous Region will be celebrating the 20th anniversary of its founding. He will lead a team of members of the third echelon to visit Xizang in an impressive manner. Those who go will be under 50 years old.

Hu Qili: Mr Cha is welcome to Xizang. But you must have a medical check-up first.

Li Menghua: I once went there with some athletes. Their physical reaction to the weather was quite strong. I was fine. It is strange that young, healthy people's reaction to the climatic conditions in mountain areas should be so strong. Their experience was not shared by the people older than they.

Successive Discovery of Oil Fields

Hu Yaobang: I also want to have a look at the sources of Huang He and Chang Jiang. China is so big. How many of China's 29 provinces, cities, and autonomous regions have you visited? Have you been to Xinjiang and Nei Monggol?

Cha Liangyong: I went there in 1981.

(Then the two men talked about China's scenic spots. General Secretary Hu asked Mr Cha which provinces and cities he had visited and which cities he was going to visit.)

Hu Yaobang: Have you been to the northeast? It is beautiful. In July this year I visited seven cities along the Sino-Soviet border. In Erlian, we discovered a large oil field with a prospective reserve of 100 million tons. We have also found a large oil field in southern Xinjiang. One of the wells produces more than 300,000 cubic meters of oil each day and its annual oil output is 1 million tons. It is a high-yield well. China is producing more and more oil. This year our output will be 110 million tons. By 1990, our oil output could reach 150 million tons. However, we will strive to achieve an annual output of 170 million tons by then.

Cha Liangyong: What are the prospects for offshore oil?

Full-scale exploitation must wait until after 1990. Submarine exploration is quite a difficult task. By the turn of this century, coal output could reach 1.4 billion tons. Within the Seventh 5-Year Plan period, power generation facilities with a total capacity of 30 million kilowatts will be installed and the output of oil and coal will be 170 million tons and 900 million tons, respectively.

Hu Qili: There are still many problems. In the decision of the third plenary session, we particularly emphasize the need to remain sober-minded and that in the face of new achievements and new tasks, the whole party should be careful yet resolute, and pay attention to drawing lessons from history.

Let Some People Become Rich First

Cha Liangyong: People abroad are afraid that the implementation of the policy of storing wealth among the people might make some people rich, some poor, and some richer than others. Contradictions in society would be inevitable. What is the central authorities' opinion on this question?

Hu Yaobang (turning to Hu Qili): Will you answer Mr Cha's question?

Hu Qili: It is our policy to let some people become rich first. Those who have become rich first can help others become rich. That is precisely the case in the rural areas. Households doing specialized jobs and households with an annual income of 10,000 yuan each do just that. Some people help others become rich and an individual may even help the whole village, or even the whole township, become rich. They provide free technical services for other peasants or provide funds. Some even run welfare undertakings at their own expense. Second, we are going to adopt a series of measures and policies. Finance, taxation, banking, property, supply, and retailing were in the hands of the state. We could exercise supervision in regard to profits and taxes in order to achieve an overall balance and to make everything rational. Now we give people a free hand. If people can make a fortune, we do not mind. However, at a certain point we will appropriately collect taxes at the rates prescribed by the laws. In this way there will not be multi-millionaires or billionaires. However, there will not be the destitute either. Our basic goal is to make the whole country and the whole society prosperous. To put it simply, joint prosperity. However, some people will become rich earlier and others will become rich later.

Cha Liangyong: I was told that some localities exact charges from households with an annual income of 10,000 yuan each.

Hu Qili: It is true that some localities have done that. However, we are against such a practice. We are considering the protection of the interests of households with an annual income of 10,000 yuan each by legal means. Households with an annual income of 10,000 yuan each strongly demand that the state formulate taxation laws and collect a certain amount of tax. They are not happy with total tax exemption. If the state collects taxes from them, they will feel more at ease; only then will they consider their incomes legal. I think we prefer to collect taxes from them later. They have just begun to develop, so the present may not be the proper time to collect taxes from them. We will consider the question sometime later.

Maintain Social Stability, Improve Economic Results

Yu Yaobang: There is the problem of guidance as well as the problem of policy. There is no need to hurry. There are poverty-stricken areas in China. We still have to subsidize and provide relief to them. The Constitution stipulates that labor must not be considered a commodity. We can give people a certain amount of payment in order to prevent their wages from becoming too low. However, labor cannot be bought, sold, or owned. Thus, there will not be the question of the exploitation of laborers. "Becoming rich through production" is different from "exploiting the labor of others." Our socialist economic system will not be affected.

Hu Qili: The regulations governing wages formulated since the reform include an article on basic salaries. Why is this necessary? True, the practice of "eating from the same big pot" is not good. However, we must guarantee that some basic needs will be met. By fixing the lowest basic salaries, we can ensure that the workers' basic needs will be met. In this way we can maintain social stability. After that, we can readjust their salaries according to the nature of their jobs, their efficiency, and their attitude toward work. In this way we can combine "social stability" with "efficiency and results." This is favorable for arousing people's enthusiasm and for maintaining social stability.

Cha Liangyong: I know the central authorities are holding an important meeting, so I must thank you for spending so much of your valuable time talking to me on many questions.

Hu Yaobang: Mr Cha, will you be leaving tomorrow? Tomorrow afternoon a brief announcement will be broadcast. The day after tomorrow, you can get a copy of the full text of the decision of the third plenary session in the morning. Do come again. You are welcome. Try to visit the parts of the country you have never visited before.

Cha Liangyong: Thank you for your kindness.

(The written version of the conversation has not been checked and approved by those who took part in it. It is only for reference.)

HSIN WAN PAO ON POSSIBLE ARKHIPOV VISIT TO SHENZHEN

HK101001 Hong Kong HSIN WAN PAO in Chinese 10 Dec 84 p 2

["New Talks" column: "It Has Been Reported That the Soviet Vice Premier May Visit Shenzhen"]

[Text] Shenzhen Special Economic Zone will probably receive, before the end of 1984, a visitor from a great distance -- Ivan V. Arkhipov, first deputy chairman of the Presidium of the Soviet Council of Ministers (this is a post equal to first vice premier).

As yet, there are still three questions concerning this event.

As far back as the beginning of this year, it was said that Arkhipov would visit China in May. Later, Moscow declared that it had not made sufficient preparations and postponed the visit, but it did not entirely call off this visit. Therefore, whether Arkhipov will actually come is the first question.

At the end of last month, East European diplomats in Beijing said that Arkhipov would still visit Beijing, but the time for the visit would be December and perhaps before the visit of British Prime Minister Thatcher who will come to China to sign the Sino-British agreement on the Hong Kong issue.

When General Secretary Hu Yaobang met Japanese guests later, he also mentioned this. Mrs Thatcher is scheduled to arrive in Beijing on the 18th and sign the agreement on the 19th. There is only one week left, if Arkhipov indeed wants to make the visit. When on earth will he come? This is the second question.

Foreign reporters have attached great importance to Arkhipov's visit and it was reported in Beijing that he would perhaps travel to the south to visit Shenzhen, China's first special economic zone, after the talks in Beijing. Is this report true? This is the third question.

If the answers to all three questions are in the affirmative and it turns out that the Soviet Union has indeed sent a senior official to visit Shenzhen, this will not only attract lots of Hong Kong reporters to collect news there, but it is also very possible that this will become a major item of news that will draw the attention of the whole world.

Arkhipov is China's old friend. During the late 1950's, disputes occurred between China and the Soviet Union and the Soviet Union stopped its aid to 157 key construction projects, withdrew all its advisers, and took away all the blueprints. At that time, he was chief adviser of the advisory group and the measures that he adopted before he left showed the greatest possible extent of consideration of the friendship between the Chinese and Soviet peoples.

In answering the questions asked by Japanese friends, Hu Yaobang said that if Arkhipov came to visit China, China would receive him with courtesy. This, on the one hand, showed consideration for the current Sino-Soviet relations and on the other hand, it seemed that this also took into account his evaluation of Arkhipov the person.

Up till now, the three major issues (Soviet Union stationing a huge Army along the Sino-Soviet border; Soviet troops invading Afghanistan; and the Soviet Union instigating Vietnam's invasion in Kampuchea -- both Afghanistan and Kampuchea being China's neighbors) that have impeded the normalization of the Sino-Soviet relations remain unsolved; still the two sides are intensifying their cultural, trade, and economic exchanges. For example, the trade between China and the Soviet Union will rise by 60 percent this year and the two sides will perhaps establish a joint committee to continue to promote their bilateral trade.

At present, China is further carrying out its open-door policy. Its urban reforms have already begun and its 14 coastal cities and 4 special economic zones have all put forth a large number of projects and prepared to accept external technological cooperation and investment.

In fact, during the past few years, the Soviet Union has also been carrying out some reform work, but it has failed to achieve much success. Not long ago, the Soviet newspaper TRUD published an article by Popov, a doctor of economics, which upheld that the current labor remuneration system in the Soviet Union should be changed to better facilitate distribution according to labor. From this we can see that the Soviet Union has been looking for methods of economic reform in many ways. A dispatch sent by REUTER on 27 November put forth a new view. The dispatch reads: "A Western diplomat said that China's reform might have far-reaching repercussions in Moscow. If it is possible for reform to succeed in such a big socialist country as China, the officials in the Kremlin who as yet have had no intention to carry out large-scale reform will perhaps have to reconsider this question."

It is still unknown whether or not Arkhipov will visit Shenzhen. However, at any rate, it is a new development that greatly attracts people's attention.

WEN WEI PO INTERVIEW WITH GU MU IN FUZHOU

HK080802 Hong Kong WEN WEI PO in Chinese 8 Dec 84 p 1

[Dispatch from correspondent Kuang Yu: "Gu Mu Talks About Opening Up China's Domestic Market in an Interview With Our Correspondent in Fuzhou"]

[Text] Fuzhou, 7 Dec (WEN WEI PO) -- In an interview with our correspondent, Gu Mu, secretary of the CPC Central Committee Secretariat and state councillor, pointed out: "We can open domestic markets to foreign businessmen if their technology is advanced. How far can we open them? We can open them 30, 50, or even 100 percent. However, these technologies must be products needed inside our country which the people lack and they must be welcome in the hinterland markets. Then we are willing to exchange technology for markets."

Gu Mu said this in his interview with our correspondent at Wenquan Guesthouse and he cordially and in detail answered 14 questions put by the correspondent. These questions dealt with currency for the special zones, whether free ports would be set up in the hinterland, opening markets to foreign businessmen, open cities and prices, differences in policies in preferential treatment for special zones and open cities, limits on special zone administrations, and difficulties met by foreign businessmen who invest in or run factories in the hinterland.

On whether open cities will supersede Hong Kong's position and interests after they develop, he said that it is necessary to use Hong Kong's favorable conditions in developing the 14 open cities. They will increase their business with Hong Kong and this can only benefit Hong Kong's trade. If the open cities do a good job in developing their economies, they will also promote the development of Hong Kong's economy. The hinterland can also supply Hong Kong's needs. Each can supply what the other needs so that both the hinterland and Hong Kong will further improve their economies and will share a common prosperity.

On the role of the summing-up meeting which is being held by Guangdong and Fujian, Gu Mu said that the main purpose of this meeting is to increase understanding between responsible members of these two provinces and the Central Committee and the State Council and for them to exchange views. To be specific, over the past 5 years, special policies have been implemented and flexible measures adopted by Guangdong and Fujian. It is time for an evaluation. How well have they done? What are the achievements, experiences, and lessons? What needs improvement? What problems must be solved when the two provinces implement special policies and adopt flexible measures in the future? How are the two provinces to carry out reform of the economic structure more vigorously in the next 5 years? How will they take the lead in the country in opening to the outside world? In other words, it is to delegate power to the two provinces so that they can have greater decisionmaking power and can further open to the outside world.

Issuing Special Zone Currency

HK110559 Hong Kong WEN WEI PO in Chinese 11 Dec 84 p 1

[Report from correspondent Kuang Yu: "Gu Mu Says Questions of Issuing Special Zone Currency May Be Solved Next Year"]

[Text] In an exclusive interview with our correspondent in Fuzhou, Gu Mu, member of the CPC Central Committee Secretariat and state councillor, answered the question of how to tackle the chaos resulting from the existing situation of several currencies circulating in the Shenzhen Special Economic Zone. He said: The special zone will issue its own currency, and the problem is expected to be solved probably by next year.

Asked about whether the special zone currency would be directly linked to the U.S. dollar, Gu Mu said the special zone currency would probably not be linked with the U.S. dollar only but would possibly involve a comprehensive exchange between several currencies [duo zhong huo bi zong he di dui dui 1122 4429 6303 1578 4844 0678 0966 1417 0345]. As soon as the special zone currency is issued, other currencies, including foreign exchange certificates, and renminbi, will have to withdraw from the money market in the special zone. The Hong Kong currency and other foreign currencies can still enter the market; but they can only be exchanged at the bank, just as Hong Kong and Macao compatriots currently do in exchanging for foreign exchange certificates when they visit the mainland.

GUANGDONG NUCLEAR PLANT AGREEMENT SIGNING PLANS

HK071144 Hong Kong Television Broadcast Limited in English 1100 GMT 7 Dec 84

[Text] The Guangdong nuclear power station joint venture agreement will be ready for signing in about a month from now. That news tonight from Britain's visiting minister of state for energy. Shirley Lam has more:

[Begin recording] Alick Buchanan-Smith earlier met Chinese Vice Premier Li Peng and other senior Chinese officials during his week-long stay in the Chinese capital. The British minister of state told a news conference in Hong Kong that Chinese officials expect the Guangdong nuclear power station joint venture agreement to be completed in a month.

Buchanan-Smith said that the resolving of the Hong Kong question will further boost economic ties between China and Britain. He says the UK Department of Energy has established a China unit in its offshore supplies office specifically to advise the Chinese Government on Britain's offshore industrial capabilities. Buchanan-Smith also revealed that British companies are about to undertake feasibility studies on major mine developments at Tangshan and at Jinan, and that that UK hopes to play a major role in China's energy plan. [end recording]

PRC-UK AGREEMENT ON HONG KONG TO BE SIGNED 19 DEC

HK071142 Hong Kong Television Broadcast Limited in English 1100 GMT 7 Dec 84

[Text] On December 19 the signing ceremony for the 1997 agreement will take place in the afternoon. That's the word from the secretary general of the Hong Kong and Macao Office, Lu Ping. Mr Lu is in Hong Kong for a visit that he says is purely unofficial. He says he is here to take a rest, and has no plans to meet government people here. He did, however, confirm that the signing will take place on the 19th, adding that it will be in the afternoon. Mr Lu was a member of the Chinese negotiating team at the 1997 talks.

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